

CITY OF LOWELL, MA

MAY 2006

Analysis of Impediments to Fair Housing Choice

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In an effort to end housing segregation, the U.S. Congress passed Title VIII of the Civil Rights Act of 1968, making acts of housing discrimination based on race, sex, national origin, religion, or ethnicity illegal. Congress amended this landmark legislation in 1988 making acts of discrimination against families with children and people with mental or physical illness equally unlawful. Under Massachusetts law it is also unlawful to discriminate against an individual because they are recipients of public assistance, including assistance in the form of housing certificates or vouchers.

Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, requires that the U.S. Department of Housing and Urban Development (HUD) implement its programs in a manner that affirmatively furthers Fair Housing (AFFH). Until recently, only general guidelines were provided to CDBG grantees in fulfilling the AFFH requirement. In 1989, HUD required CDBG grantees to undertake an Analysis of Impediments to Fair Housing Choice (AI). Grantees are now required to report on progress in meeting the actions to eliminate fair housing impediments in their Consolidated Plan Annual Performance Report (CAPER).

The Consolidated Plan's Certification to "Affirmatively Furthering Fair Housing" requires entitlement communities to undertake Fair Housing Planning. The Analysis of Impediments to Fair Housing should be viewed as part of the City's Consolidated Plan. The report has been completed to meet requirements of the Housing and Community Development Act, as amended, and the HUD regulations governing the preparation of the "Consolidated Plan." The Lowell Division of Planning and Development conducted this analysis to identify impediments to Fair Housing in Lowell, Massachusetts. The City is committed to taking the appropriate actions to overcome the effects of any impediments identified through this analysis, and will maintain records reflecting the analysis and actions taken in this regard.

Fair Housing choice is a complex issue involving diverse and wide-ranging considerations and it is important to understand and distinguish between the "impediments to fair housing choice" and "barriers to affordable housing". In undertaking this analysis, the role of economics, historical housing patterns, and personal choice are important to consider when examining Fair Housing choice. Affordability in the market is largely dependent upon supply and demand and proximity to public transportation. The economics of the marketplace, therefore, limits the availability of housing to households with limited income and may lead to the concentration of low-income minority groups in certain neighborhoods with more readily available affordable housing.

The purpose of Fair Housing laws extend beyond the basic issues of economics to consider discrimination within the housing delivery system that impedes a household's ability to make a personal housing choice that is within their economic means. Impediments to Fair Housing choice are defined as any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict the availability of housing choice. It also includes any actions, omissions, or decisions that have this effect. Discrimination includes discriminatory rental, real estate, and lending practices, Not In My Backyard (NIMBY) attitudes, and exclusionary zoning regulations, that limit housing choices for minorities, families with children, and other protected classes. This analysis attempts to examine the impediments to housing choice within that context.

Although the barriers to affordable housing are related to fair housing choice, this document will focus on the impediments to fair housing. The barriers to affordable housing are addressed extensively in the City's Consolidated Planning document.

1.1 Who Conducted

The Lowell Division of Planning and Development (DPD) prepared the Analysis of the Impediments to Fair Housing, with the assistance of a consultant. The DPD is the lead agency in administering the City's HOME Program, Community Development Block Program, Emergency Shelter Grant Program, and the Continuum of Care McKinney Programs. DPD is also the lead agency for administering the Middlesex County's Housing Opportunities for People with AIDS (HOPWA) Program.

1.2 Participants

Participants from many of the City's community-based agencies provided valuable insight and information. Participation included interviews and public hearing input. Participating agencies included:

- Cambodian American League of Lowell
- City of Lowell, Assessors Department
- City of Lowell, Inspectional Services Department
- City of Lowell, Division of Planning and Development (DPD)
- City of Lowell, Council on Aging (COA)
- Coalition For A Better Acre
- Community Teamwork Inc.
- Greater Boston Fair Housing Center
- Greater Lowell Landlords Association
- Lowell House, Inc.
- Lowell Housing Authority
- Lowell Regional Transportation Authority
- Lowell Transitional Living Center (LTLC)
- Massachusetts Commission Against Discrimination
- Merrimack Valley Housing Partnership (MVHP)
- Merrimack Valley Legal Services
- Neighborhood Legal Services
- Northeast Independent Living Program
- St. Anne's Episcopal Church
- St. Julie Asian Ctr.

1.3 Methodology Used

The intent of this report is to update the 2001 Analysis of Impediments to Fair Housing Choice, a comprehensive review of policies, practices and procedures that affect the location, availability, and accessibility of housing and current residential patterns and conditions. The updated version achieves the following:

- Reviews the 2001 Impediments and Actions taken to address them;
- Assesses whether the City has made substantive progress towards eliminating the impediments;
- Analyzes any additional impediments that exist using updated U.S. Census information, public hearings, interviews, recent City of Lowell Planning documents, and other documents that have been completed since 2001; and
- Recommends actions to address any new impediments

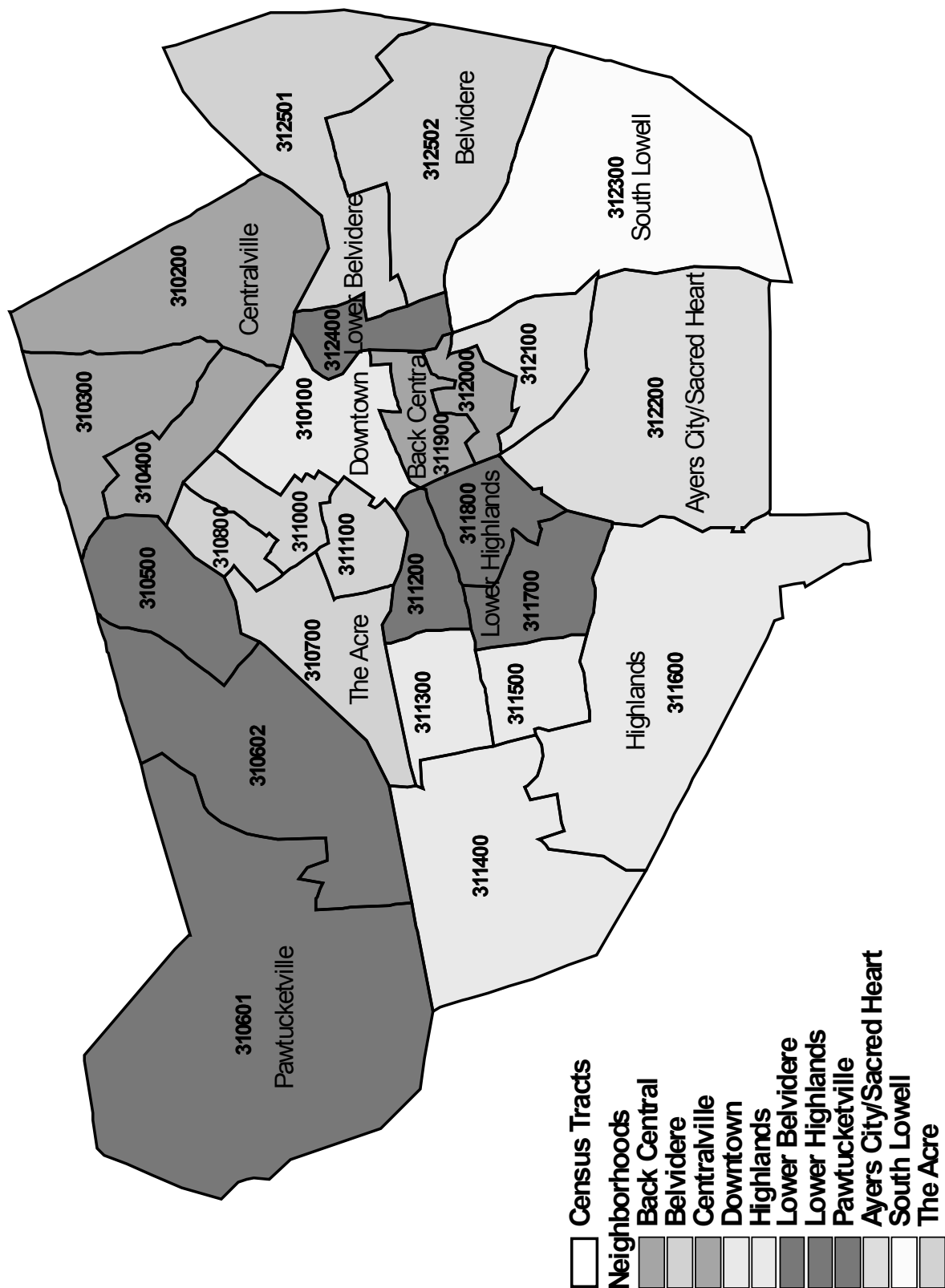
The update was developed based on a variety of resources and methods including:

- Consideration of public input from two public hearings;
- Demographic analysis at the block group level using Geographic Information Systems;
- Interviews with City Departments, Housing Authority officials, and local housing providers;
- 2003 Home Mortgage Disclosure Act (HMDA) data from Lowell Banking Institutions to evaluate lending practices in the Lowell community; and
- Consideration of the Fair Housing Center of Greater Boston's comprehensive study: *Discrimination in the Lowell and Merrimack Valley Real Estate Market – Confidential Report of Findings* issued in 2004. The study, which analyzes tests for discrimination against African Americans, Asians, Latinos, and families with children, is included as Attachment D.

The City of Lowell is defined by 11 neighborhoods, is divided into 26 Census Tracts and is further divided into 84 Block Groups (see Map 1-1 and Map 1-2). Of these geographic boundaries, whenever possible this report uses Block Group data to analyze demographic and housing characteristics for the following reasons:

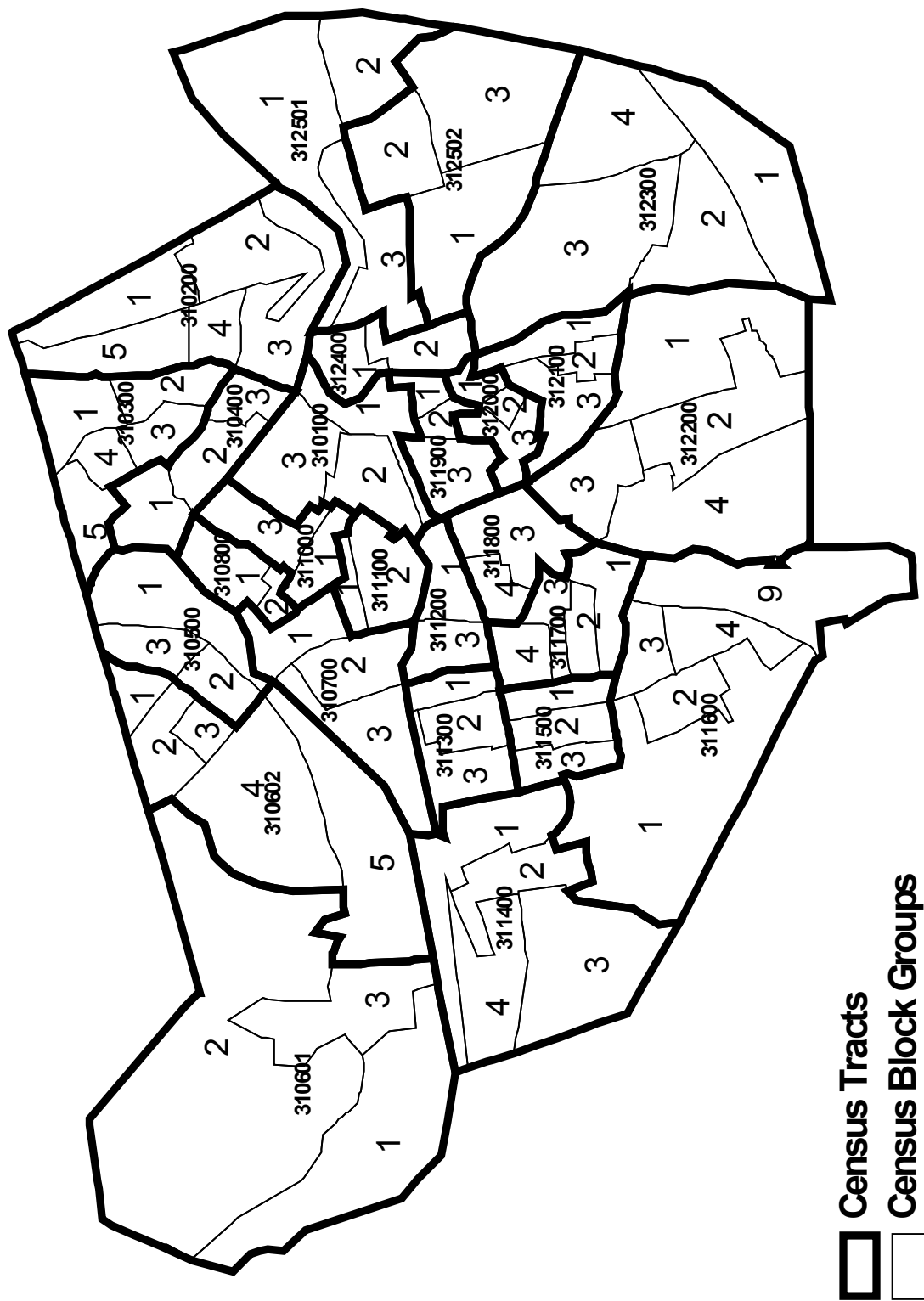
- HUD uses Block Groups as the geographic threshold for determining areas that have low-to-moderate income levels eligible for Community Development Block Grant funds;
- Census Tracts with relatively low concentrations of poverty and/or minorities may contain Block Groups with high concentrations of poverty and/or minorities, masking the distressed block group; and
- Block Groups are better suited for assessing the impacts of a neighborhood revitalization plan because Block Group data identifies specific physical characteristics, availability of public services, and demographics of an impacted area.

MAP 1-1: CITY OF LOWELL NEIGHBORHOODS AND CENSUS TRACTS



Source: U.S. Census, 2000 and City of Lowell, DPD

MAP 1-2: LOWELL 2000 CENSUS TRACTS AND BLOCK GROUPS



Source: U.S. Census, 2000

Demographic data analyzed in this report is compared, where appropriate, to block groups with high concentrations of low- and moderate-income households and block groups with high concentrations of minority populations. The average minority population among the City's block groups is 37.5 %. Table 1-1 identifies those block groups with minority concentrations higher than the average. This information is also illustrated on Map 1-3.

HUD defines areas with high concentrations of low- and moderate-income households as those with low- and moderate-income percentages greater than 51%. Areas with high concentrations of low- and moderate-income households are identified in Table 1-2 and depicted on Map 1-4.

Map 1-5 illustrates both areas of high concentration of minority populations as well as areas of high concentration of low- and moderate-income households. As the maps indicate, block groups with the highest concentrations of minority populations and low- and moderate-income households are located primarily in the center of the City.

TABLE 1-1: LOWELL BLOCK GROUPS WITH HIGH CONCENTRATION OF MINORITY POPULATIONS

Census Tract	Block Group	Neighborhood	Total Population	Non-Hispanic Population					Hispanic Population	% Minority
				White	Black	American Indian	Asian	Other		
311100	2	Acre	1306	222	71	1	595	47	370	83%
311200	1	L. Highlands	1743	368	65	6	899	50	355	79%
311100	1	Acre	980	219	29	2	369	58	303	77%
310800	2	Acre	793	182	29	0	292	37	253	77%
311000	1	Acre	1565	435	50	11	238	28	803	72%
311800	3	L. Highlands	1782	523	71	8	723	112	345	70%
310100	3	Downtown	1441	459	173	5	180	61	563	68%
311200	3	L. Highlands	1631	547	32	3	786	73	190	66%
311800	4	L. Highlands	1734	604	46	4	680	146	254	65%
311000	3	Acre	1189	409	64	2	151	74	489	65%
311400	3	Highlands	2294	915	98	3	806	77	395	60%
311300	1	L. Highlands	1209	483	49	3	498	61	115	60%
311700	4	L. Highlands	1711	722	54	7	779	41	108	58%
311600	9	Highlands	959	412	60	1	207	16	263	57%
310400	3	Centralville	1380	601	79	8	212	59	421	56%
311900	2	Back Central	890	398	24	0	132	84	252	55%
311700	3	L. Highlands	1190	546	29	0	411	38	166	54%
312200	2	Ayers City	1067	497	38	7	199	39	287	53%
312000	3	Back Central	1570	757	57	0	351	116	289	52%
311400	4	Highlands	1762	855	114	4	658	31	100	51%
312400	2	L. Bevlidere	1763	866	36	1	179	91	590	51%
312100	1	S. Lowell	1216	619	28	2	284	77	206	48%
310700	2	Acre	1537	810	69	2	309	52	295	47%
312000	2	Back Central	620	339	11	0	68	51	151	45%
310100	2	Downtown	1402	766	60	2	69	39	466	45%
311500	2	L. Highlands	1230	703	40	2	419	30	36	43%

TABLE 1-1: LOWELL BLOCK GROUPS WITH HIGH CONCENTRATION OF MINORITY POPULATIONS (CONTINUED)

Census Tract	Block Group	Neighborhood	Total Population	Non-Hispanic Population				Hispanic Population	% Minority
				White	Black	American Indian	Asian	Other	
311300	2	L. Highlands	1555	887	73	2	351	68	43%
310400	1	Centralville	1058	603	33	1	96	39	43%
312400	1	L. Bevlidere	642	369	30	4	26	35	43%
312100	3	S. Lowell	932	541	34	1	181	73	42%
310700	1	Acre	1855	1020	76	1	338	101	42%
311900	3	Back Central	1193	687	52	4	124	52	42%
312000	1	Back Central	787	461	42	1	34	70	41%
312100	2	S. Lowell	964	568	15	0	172	92	41%
311700	2	L. Highlands	1097	656	53	2	321	6	40%
310100	1	Downtown	1038	624	94	2	78	20	40%
310300	2	Centralville	1623	978	99	1	95	114	40%
311700	1	L. Highlands	925	561	18	3	218	36	39%
311900	1	Back Central	583	355	14	0	43	45	39%
312200	1	Ayers City	1906	1190	65	2	338	36	38%
312200	3	Ayers City	887	560	47	0	93	44	37%

Source: US Census, 2000

Note: Census Tracts in bold indicate areas of high concentration of both low-income households and minority populations

TABLE 1-2: LOWELL BLOCK GROUPS WITH HIGH CONCENTRATION OF LOW- AND MODERATE-INCOME HOUSEHOLDS

Census Tract	Block Group	Neighborhood	Total Households	% Low-Mod Income
311000	1	Acre	700	97%
310100	3	Downtown	648	91%
312400	1	Lower Belvidere	345	91%
311900	3	Back Central	669	87%
310100	2	Downtown	750	83%
311000	3	Acre	508	83%
311200	1	Lower Highlands	542	83%
310400	3	Centralville	428	79%
310800	2	Acre	251	79%
311600	9	Highlands	365	79%
311100	1	Acre	266	78%
310800	1	Acre	94	77%
310300	2	Centralville	612	76%
311800	3	Lower Highlands	474	76%
311900	2	Back Central	276	76%
312100	1	South Lowell	446	76%
310400	1	Centralville	332	75%
312000	2	Back Central	200	74%
310700	1	Acre	691	73%
310700	3	Acre	282	73%
310400	2	Centralville	397	72%
311800	4	Lower Highlands	503	72%
312000	3	Back Central	505	72%
311100	2	Acre	308	70%
312400	2	Lower Belvidere	596	69%
311300	2	Lower Highlands	518	68%
312200	2	Ayers City	349	68%
310100	1	Downtown	532	66%
312200	3	Ayers City	279	65%
311700	4	Lower Highlands	537	64%
312100	2	South Lowell	326	64%
311700	3	Lower Highlands	355	63%
311900	1	Back Central	186	63%
310700	2	Acre	545	62%
311200	3	Lower Highlands	532	62%
311300	1	Lower Highlands	406	59%
312000	1	Back Central	265	56%
311400	3	Highlands	892	55%

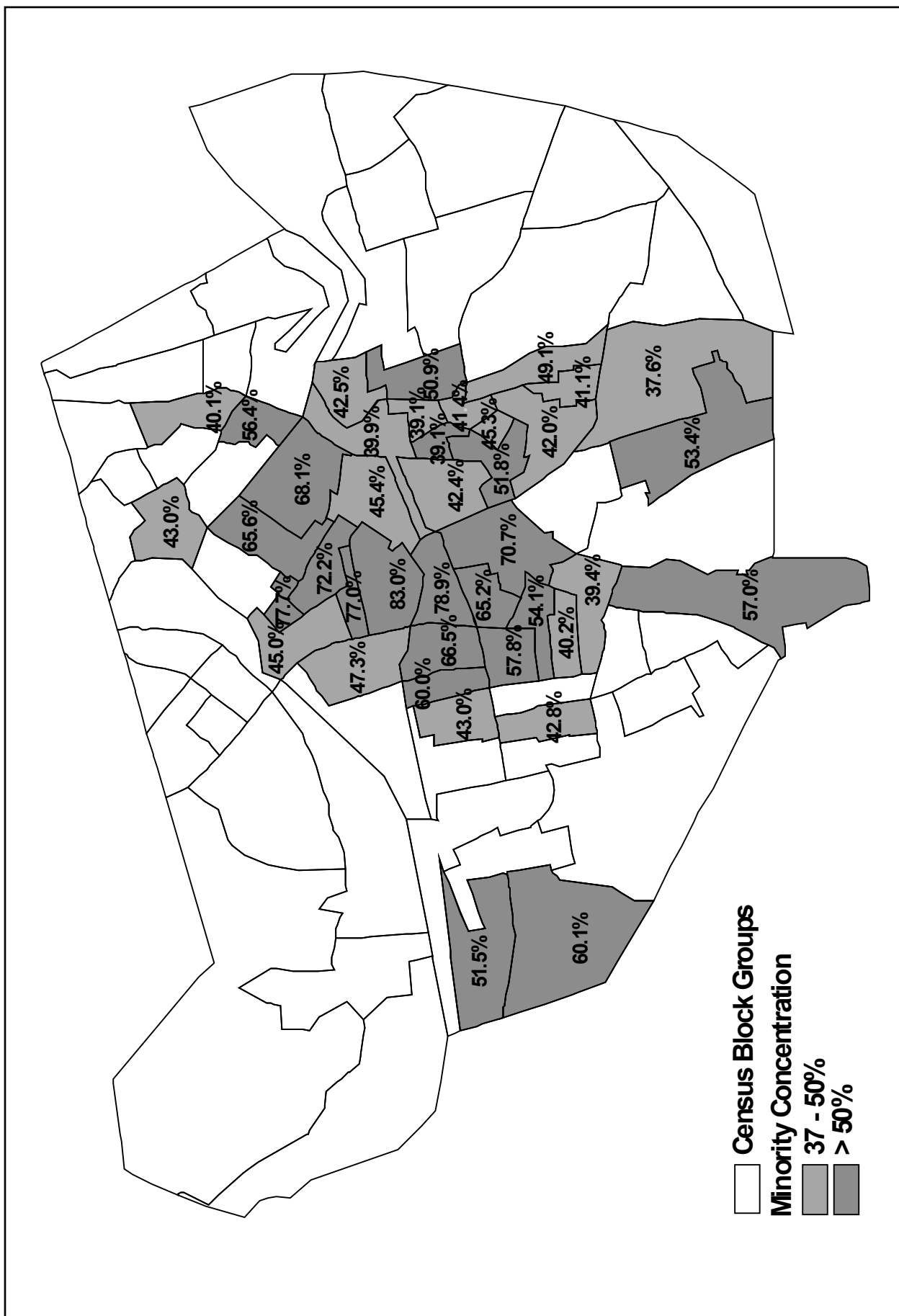
**TABLE 1-2: LOWELL BLOCK GROUPS WITH HIGH CONCENTRATION OF LOW- AND MODERATE-INCOME HOUSEHOLDS
(CONTINUED)**

Census Tract	Block Group	Neighborhood	Total Households	% Low-Mod Income
312100	3	South Lowell	322	53%
311700	1	Lower Highlands	317	52%
312200	1	Ayers City	768	52%
311700	2	Lower Highlands	347	51%

Source: US Census, 2000

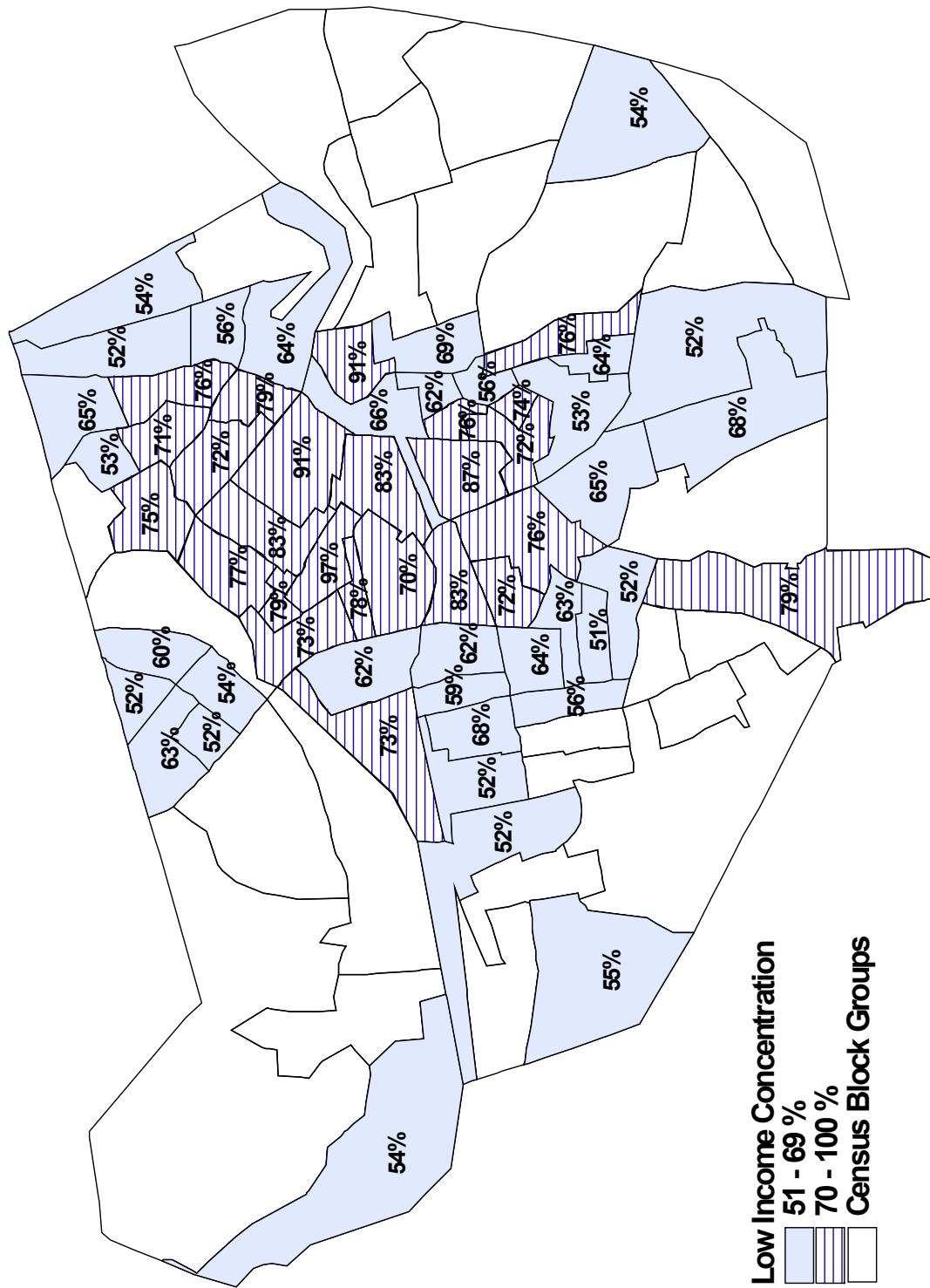
Note: Census Tracts in bold indicate areas of high concentration of both low-income households and minority population

MAP 1-3: BLOCK GROUPS WITH HIGH CONCENTRATIONS OF MINORITY POPULATIONS



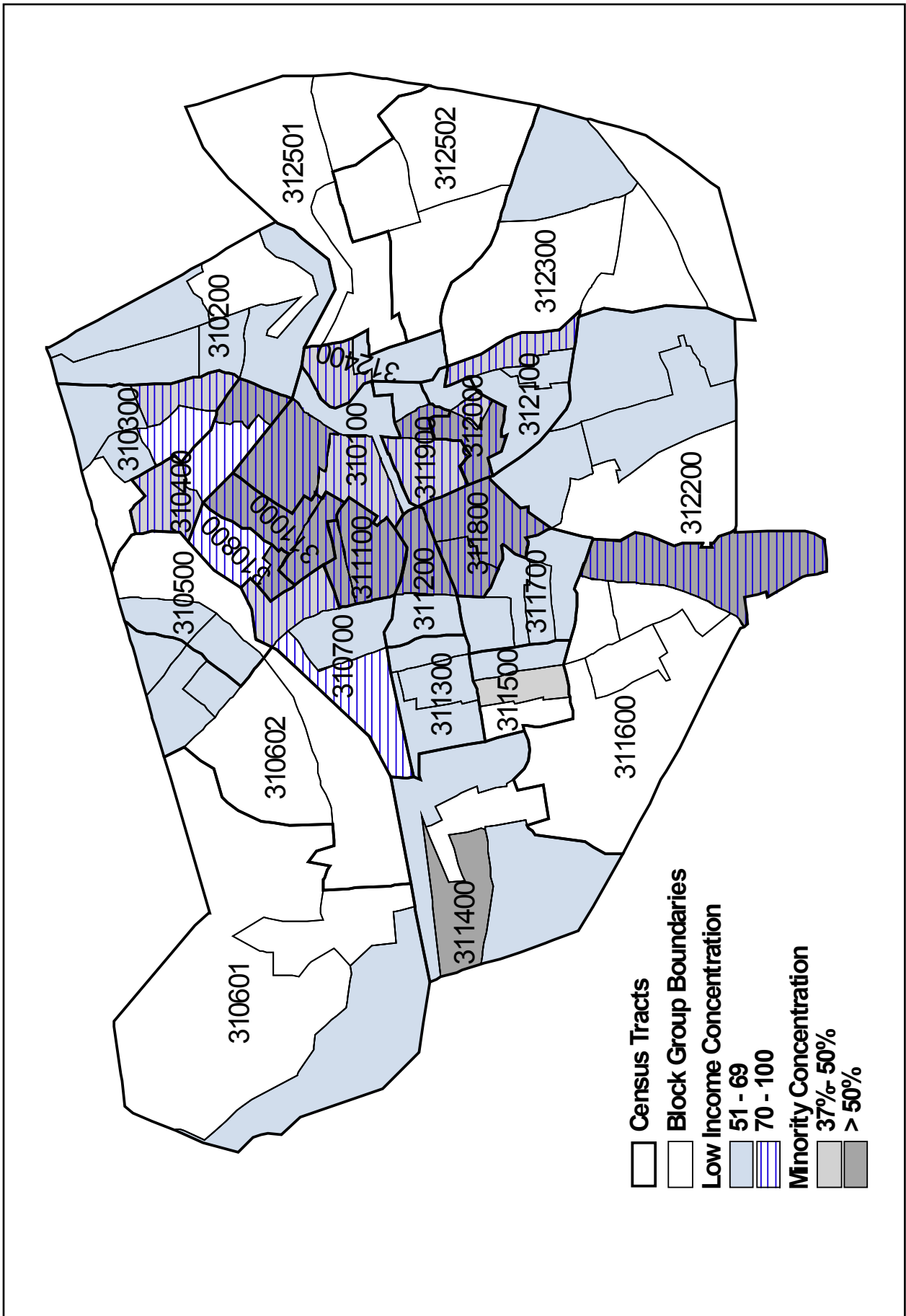
Source: U.S. Census, 2000

MAP 1-4: BLOCK GROUPS WITH HIGH CONCENTRATIONS OF LOW- TO MODERATE-INCOME RESIDENTS



Source: U.S. Census, 2000

MAP 1-5: LOWELL BLOCK GROUPS WITH HIGH CONCENTRATIONS OF MINORITY AND LOW INCOME RESIDENTS



Source: U.S. Census, 2000D. How Funded

1.4 How Funded

The 2005 AI was funded with administrative and planning funds from the Community Development Block Grant (CDBG).

1.5 Conclusions

Impediments to fair housing choice are defined as “any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choice.”

The City has made substantial progress toward addressing the impediments to fair housing choice, identified in the 2001 AI. No new impediments were identified in the process of assembling the 2005 AI, though it does recognize some issues that still remain potential impediments. This section of the Analysis of the Impediments to Fair Housing will summarize impediments and recommendations identified in 2005. Complete discussion of the 2005 Impediments as well as evaluations of actions taken to address the 2001 impediments are provided in Chapter VI.

The impediments listed below are summaries extracted from Chapter VI. Assumptions should not be made without referring to the full discussion for each impediment provided in Chapter VI.

1.5.1 2005 Summary of Impediments to Fair Housing Choice and Additional Recommendations

Impediment #1: Lack of a Fair Housing Agency

The entire 2005 text of Impediment #1 and the actions to be taken to address this Impediment are included in Chapter 6.

The 2001 AI identified the lack of a fair housing agency as an impediment based on comments from local agencies and individuals. Since then, the City has made substantial progress on addressing the lack of a fair housing entity. Initially fair housing issues were channeled through the City’s Health Department. Since 2004, this function has been filled through Community Teamwork, Inc. (CTI), a multi-service non-profit provider, offering fair housing services through its Consumer Education Program. CTI utilizes Community Development Block Grant funds and other funds to support a Fair Housing Advocate/Educator to assist housing consumers to identify and address any discrimination that would prevent them from buying or renting a home. Other functions of this position include providing information and services that will heighten awareness among housing seekers and providers of their rights and obligations under existing fair housing laws. The Fair Housing Coordinator also works in conjunction with the Housing Consumer Education Center and other local commissions that focus on housing issues to help identify housing resources available to the residents of Lowell.

While the Consumer Education Program employs a number of individuals to address local housing issues, the responsibility of developing a fair housing program rests on one individual. An evaluation of CTI’s Fair Housing Program should be performed annually to ensure continued progress on this issue and to guarantee that a program, which includes education, counseling, monitoring, and enforcement, is established as planned.

Impediment #2: Lack of Diversity on City Boards and Commissions

The entire 2005 text of Impediment #3 and the actions to be taken to address this Impediment are included in Chapter 6.

The lack of minority and female representation on Lowell's land use boards was noted in the 2001 AI. Currently the racial, gender, and ethnic composition of the City is not reflected in the membership of the zoning and planning boards.

Impediment #3: Discrimination in Rental Real Estate Practices Because of Lead Paint

The entire 2005 text of Impediment #4 and the actions to be taken to address this Impediment are included in Chapter 6.

The abundance of older homes with lead paint in the City, in conjunction with Massachusetts' Lead Paint Law, limits the number of homes available for families with young children. Many landlords are reluctant to rent to families with young children, particularly because of lead paint laws and the high cost of compliance. While the City has made good progress in deleading some of the City's older housing stock through its Lead Abatement Department, the recent loss of federal funding threatens the continued success of the program.

Recommendation #1: Increase On-going Predatory Lending Awareness

The entire 2005 text of Recommendation #1 and the actions to be taken to address this Recommendation are included in Chapter 6.

In communities such as Lowell, the number of "sub prime" loans has increased well above the state average. Sub prime loans are higher-interest-rate mortgages offered to consumers with credit problems or limited incomes that may benefit the borrower by expanding credit. Predatory loans have higher interest rates, excessive closing costs, prepayment penalties, fees, or balloon payment requirements and may include deception, fraud, or manipulation. The elderly, minority, and low-income homeowners who have financial troubles, are not fluent in English, or are otherwise intimidated by the process of securing a conventional mortgage, are often targeted by predatory loan agencies. Existing homeowners who refinance using sub prime loans are also targeted. Unfavorable terms and higher interest rates can ultimately result in the loss of equity in a home or a foreclosure on a home.

It does not appear that there is any on-going preemptive program to educate the community about predatory lending. Public awareness and preemptive education is vital to consumers who may fall prey to unfavorable lending programs. In the City of Lowell Master Plan, owner occupancy is encouraged as a means to stabilize neighborhoods. Part of this recommendation is to actively work to discourage predatory lending in Lowell by supporting local programs such as the "Don't Borrow Trouble" campaign. Lowell has made a commitment in its Master Plan to support anti-predatory lending programs. In order to ensure the success of current efforts to discourage predatory lending, the City should continue to work with the "Don't Borrow Trouble Campaign."

Recommendation #2: Concentration of Subsidized Housing in Central Lowell

The entire 2005 text of Recommendation #2 and the actions to be taken to address this Impediment are included in Chapter 6.

The high concentration of subsidized housing and minority populations in central Lowell was identified as an impediment to fair housing in the 2001 AI. While the City has made a substantial effort in deconcentrating subsidized housing downtown, continued efforts to develop low-income housing in block groups with lower-minority concentrations is recommended. Minorities live in all neighborhoods in the City but are primarily concentrated in the lower per capita income block groups. According to the 2000 Census, minority concentrations in all areas of Lowell increased during the years 1990-2000, with the greatest increases occurring in the Centralville, Lower Highlands, and Highlands neighborhoods. Efforts should be focused on block groups along the City's perimeter and in Lowell's suburbs, which tend to have much lower minority concentrations. The City's updated Master Plan outlines recommendations to achieve this goal. Actions taken to achieve these recommendations should be monitored and reported in the City's Consolidated Action Plan and Evaluation Report (CAPER).

Recommendation #3: Lack of Policy Regarding Accessibility/Visitability

The entire 2005 text of Recommendation #3 and the actions to be taken to address this Impediment are included in Chapter 6.

The City of Lowell lacks guidelines regarding visitability/accessibility that go beyond what is required by the basic "handicapped accessibility" laws for CDBG and HOME funded residential development of more than four units. This guideline would affect new construction of private residential developments and rehabs of 4 or fewer units.

Recommendation #4: Shortage of 3-4 Bedroom Affordable Rental Housing Units

The entire 2005 text of Recommendation #4 and the actions to be taken to address this Impediment are included in Chapter 6.

A limited number of affordable rental housing units with three and four bedrooms are available to families. This issue may be due in part to the number of University of Massachusetts, Lowell students renting large units, which was identified in both the 1997 and 2001 AI as an impediment. In an effort to encourage construction of off-campus higher-density student housing in locations near the University campus, the City created the Institutional zoning district (INST). The new mixed-use district is designed to capitalize on the development potential of the major institutional campuses in the City, while serving to contain the impact of these campuses in designated areas.

While some progress has been made to create larger unit developments at affordable rents, the lack of policies or incentives to encourage the construction of larger homes continues to affect the limited number of units available for families. The City should consider adopting specific policies that encourage projects using HOME, CDBG, or other City-managed funds to include a reasonable proportion of 3-4 Bedroom units.

2.1 Demographic Data

Lowell, Massachusetts is the fourth largest city in the Commonwealth with a population of 105,167 according to 2000 U.S. Census, an increase of approximately 1.7% from 1990. During this same ten-year time span, the minority population increased from 22.9% in 1990 to 37.5% in 2000, an overall increase of 66%. The Asian population increased 51% from 11,419 in 1990 to 17,302 in 2000, making Lowell the community with the highest number of Asians in the State of Massachusetts. The Hispanic population also grew in this same time period, increasing by 46% to 14,374. A detailed comparison of population growth among Lowell's minority populations is provided in Table 2-1.

TABLE 2-1: CHANGE IN MINORITY POPULATION (1990 – 2000)

Total Pop.	White	Black	American Indian	Minority			Two or More Races	Hispanic	Total Minority
				Asian	Pacific Islander	Other			
2000									
105,167	65,760	3,644	170	17,302	12	474	3,071	14,734	39,407
	62.5%	3.5%	0.2%	16.5%	0.0%	0.5%	2.9%	14.0%	37.5%
1990									
103,458	79,766	1,839	92	11,419	N/A	253	N/A	10,089	23,692
	77.1%	1.8%	0.1%	11.0%		0.2%		9.8%	22.9%
% Change									
1.7%	-17.6%	98.2%	84.8%	51.5%		8.7%		46.0%	66.3%

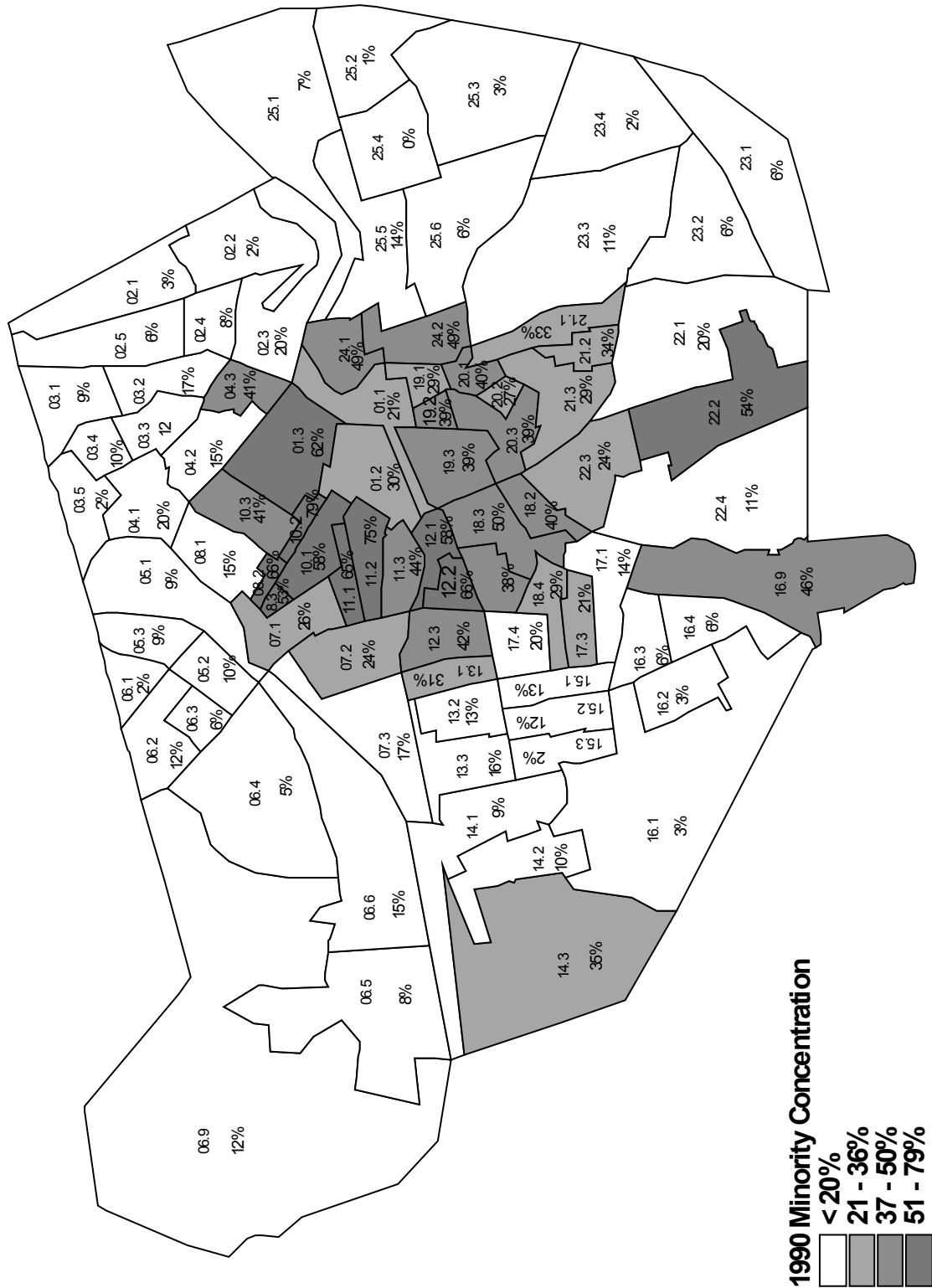
Source: US Census, 1990 and 2000

2.1.1 Areas of Minority Concentration

The highest concentrations of minority populations are primarily located in the City's center, and along its southern and western boundaries. This pattern is illustrated in both 1990 and 2000 on Maps 2-1 and 2-2. Table 2-2 details the changes in populations in each Census Tract during this time period.

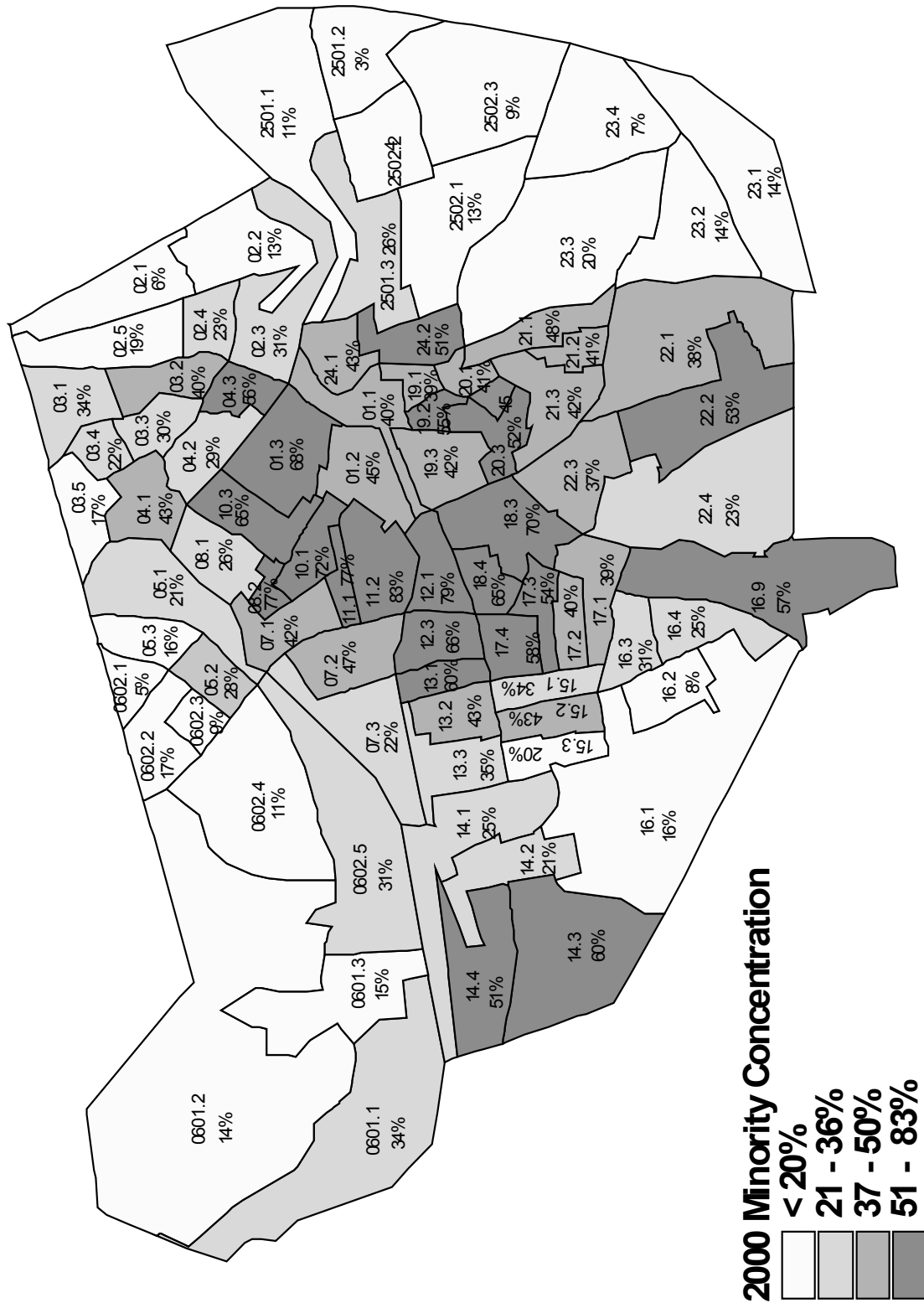
With the exception of Census Tract 3111, located downtown, all of Lowell's census tracts have experienced an increase in minority population between 1990 and 2000. As indicated in Map 2-3 the greatest increase in minority population occurred in the Lower Highlands Neighborhood (Census Tracts 3113, 3115, 3117, and 3118). Meanwhile, the population of whites decreased in all census tracts during this time period; the most significant decrease (44%) occurring in Tract 3118.

MAP 2-1: MINORITY CONCENTRATION BY BLOCK GROUP (1990)



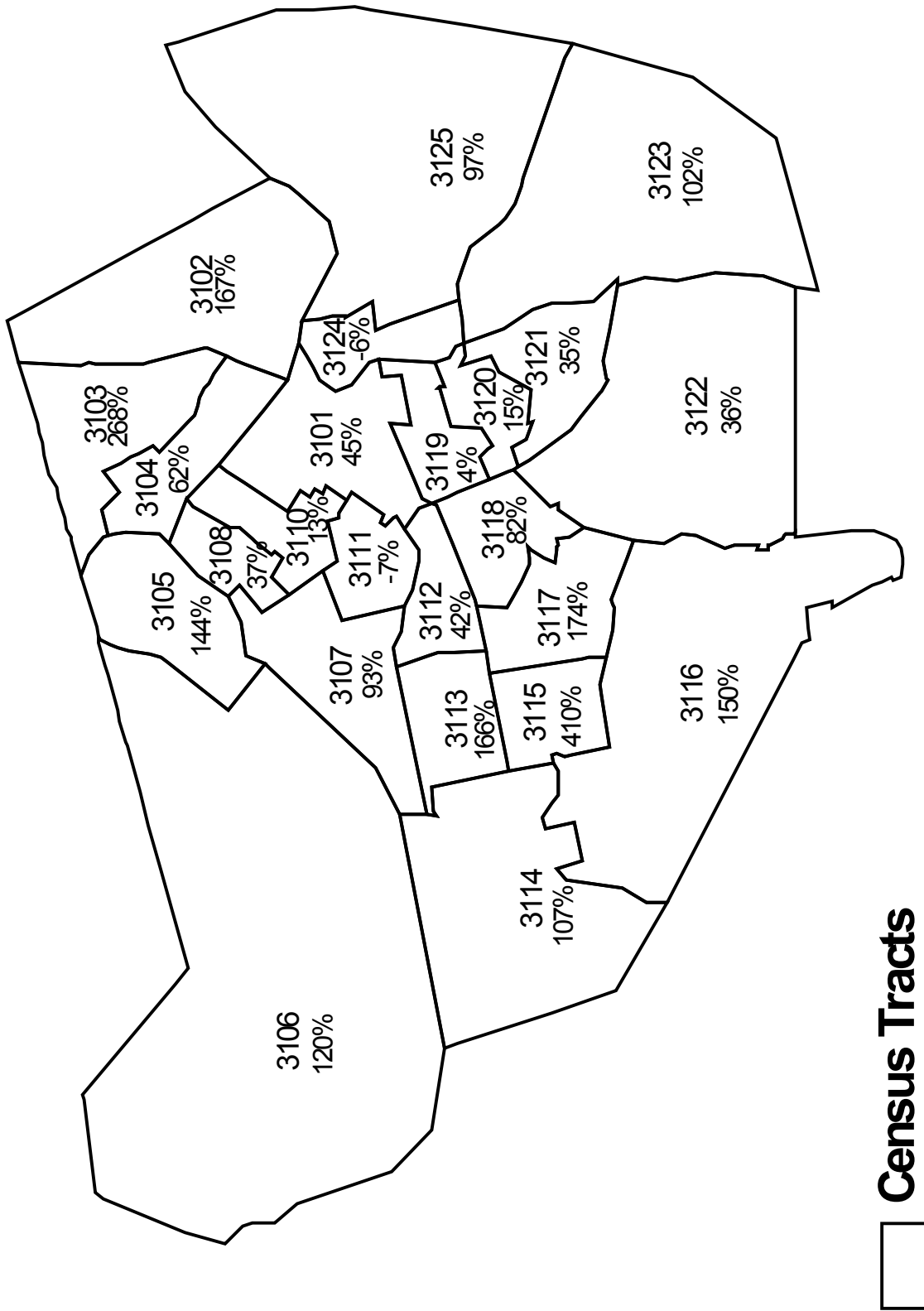
Source: US Census, 1990

MAP 2-2: MINORITY CONCENTRATION BY BLOCK GROUP (2000)



Source: US Census, 2000

MAP 2-3: PERCENT CHANGE IN MINORITY CONCENTRATION BY CENSUS TRACT (1990-2000)



Source: US Census, 1990 and 2000

Table 2-2: Minority Population by Block Group (1990-2000)

2.2 Income Data

According to the 2000 US Census, Lowell's Median Household Income was approximately \$39,192, in 1999, compared to \$50,955 for the state of Massachusetts. Table 2-3 provides income data for each of Lowell's Block Groups in 1999. As the table indicates the average per capita income among Lowell residents was \$16,614 and 17% of the population lives below the poverty level. The largest percentage of residents living below poverty is located in the Acre and Downtown neighborhoods.

TABLE 2-3: INCOME BY CENSUS TRACTS

Census Tract	Total Population	Per Capita Income	Total Households	Median Income per Household	Total Families	Median Income per Family	Total Below Poverty Level	% Below Poverty	% Minority
3101.00	3,881	\$15,424	1,925	\$18,468	750	\$21,125	1,283	33.1%	52%
3102.00	6,070	\$17,960	2,205	\$45,343	1,481	\$49,969	658	11.2%	20%
3103.00	6,157	\$16,969	2,344	\$40,391	1,518	\$42,302	997	16.3%	30%
3104.00	3,581	\$12,281	1,156	\$28,456	825	\$28,854	902	25.4%	44%
3105.00	3,353	\$16,668	1,184	\$40,965	745	\$50,705	439	14.0%	23%
3106.01	5,392	\$21,127	1,923	\$50,734	1,282	\$67,705	289	5.8%	22%
3106.02	5,610	\$20,897	2,226	\$45,136	1,455	\$52,795	236	4.3%	17%
3107.00	4,575	\$16,273	1,512	\$32,500	795	\$34,107	877	21.6%	43%
3108.00	2,457	\$7,137	348	\$29,079	276	\$28,696	385	35.8%	43%
3110.00	2,754	\$7,065	1,157	\$9,895	522	\$14,390	1,377	54.6%	69%
3111.00	2,286	\$9,970	633	\$33,831	506	\$27,237	809	32.9%	81%
3112.00	3,374	\$12,352	1,079	\$29,420	674	\$33,043	986	29.2%	73%
3113.00	3,954	\$16,075	1,326	\$38,833	859	\$46,350	459	11.9%	46%
3114.00	5,857	\$23,379	2,331	\$46,929	1,449	\$50,160	557	9.7%	46%
3115.00	2,908	\$20,494	1,039	\$51,458	687	\$58,438	199	6.9%	34%
3116.00	5,099	\$21,157	1,872	\$46,111	1,357	\$52,146	694	13.6%	27%
3117.00	4,923	\$15,315	1,559	\$44,306	1,126	\$47,025	736	15.0%	50%
3118.00	3,516	\$11,546	973	\$36,772	778	\$37,959	595	17.1%	68%
3119.00	2,666	\$13,169	1,132	\$18,929	524	\$29,423	922	34.8%	46%
3120.00	2,977	\$12,914	975	\$28,528	726	\$33,839	939	31.7%	48%
3121.00	3,112	\$14,740	1,098	\$35,583	716	\$39,828	527	17.1%	44%
3122.00	4,741	\$18,207	1,755	\$43,144	1,162	\$42,845	775	16.3%	38%
3123.00	5,023	\$19,891	1,982	\$45,098	1,222	\$51,786	368	7.5%	15%
3124.00	2,405	\$12,868	946	\$25,417	562	\$32,339	548	22.7%	49%
3125.01	4,497	\$26,796	1,670	\$61,429	1,185	\$75,149	310	6.9%	17%
3125.02	3,999	\$31,308	1,642	\$58,819	1,065	\$72,419	199	5.0%	10%
Total/ Avg.	105,167	\$16,614	37,992	\$37,906	24,247	\$43,101	17,066	16.8%	66.3%

Source: US Census, 2000

2.3 Employment Data

According to the Massachusetts Division of Employment and Training, Lowell's unemployment rate has increased steadily from 3.3 % in 2000 to 7.4 % in 2004. As Table 2-4 indicates, these figures are consistent with statewide trends.

TABLE 2-4: LOWELL UNEMPLOYMENT RATES – 1990-2004

Year	Labor force	Employment	Unemployment	Unemployment Rate	Statewide Rate
1990	52,137	47,846	4,291	8.2%	6.0%
1991	50,575	44,343	6,232	12.3%	9.1%
1992	49,386	43,164	6,222	12.6%	8.6%
1993	47,401	42,620	4,781	10.1%	6.9%
1994	45,771	41,956	3,815	8.3%	6.0%
1995	47,245	44,083	3,162	6.7%	5.4%
1996	47,390	45,093	2,297	4.8%	4.3%
1997	49,602	47,068	2,534	5.1%	4.0%
1998	49,904	47,691	2,213	4.4%	3.3%
1999	50,782	48,626	2,156	4.2%	3.2%
2000	51,078	49,403	1,675	3.3%	2.6%
2001	55,326	52,183	3,143	5.7%	3.7%
2002	56,171	51,593	4,578	8.2%	5.3%
2003	54,257	49,605	4,652	8.6%	5.8%
2004	54,372	50,369	4,003	7.4%	5.1%

Source: Massachusetts, Division of Employment and Training
Note: Employment data represents place of residence

Table 2-5 compares Lowell's unemployment rate in 2004 with that in other large Massachusetts municipalities. As the data indicates, Lowell's unemployment rate is the 5th lowest among the thirteen largest communities in the State.

TABLE 2-5: MASSACHUSETTS COMMUNITIES: UNEMPLOYMENT RATE (2004)

Municipality	2004 Unemployment Rate	Municipality	2004 Unemployment Rate
Newton	2.7	Brockton	6.9
Cambridge	2.8	Lowell	7.4
Somerville	3.8	Springfield	8
Boston	5.2	Fall River	8.7
Quincy	5.2	New Bedford	9.4
Worcester	6.3	Lawrence	13.6
Lynn	6.7	Massachusetts	5.1

Source: Massachusetts Division of Employment and Training

2.3.1 Employment Centers

The City of Lowell caters to a multiple skilled workforce with a range of job sectors including high tech, education, medicine, and industry. The City's major employers are included in Table 2-6 below.

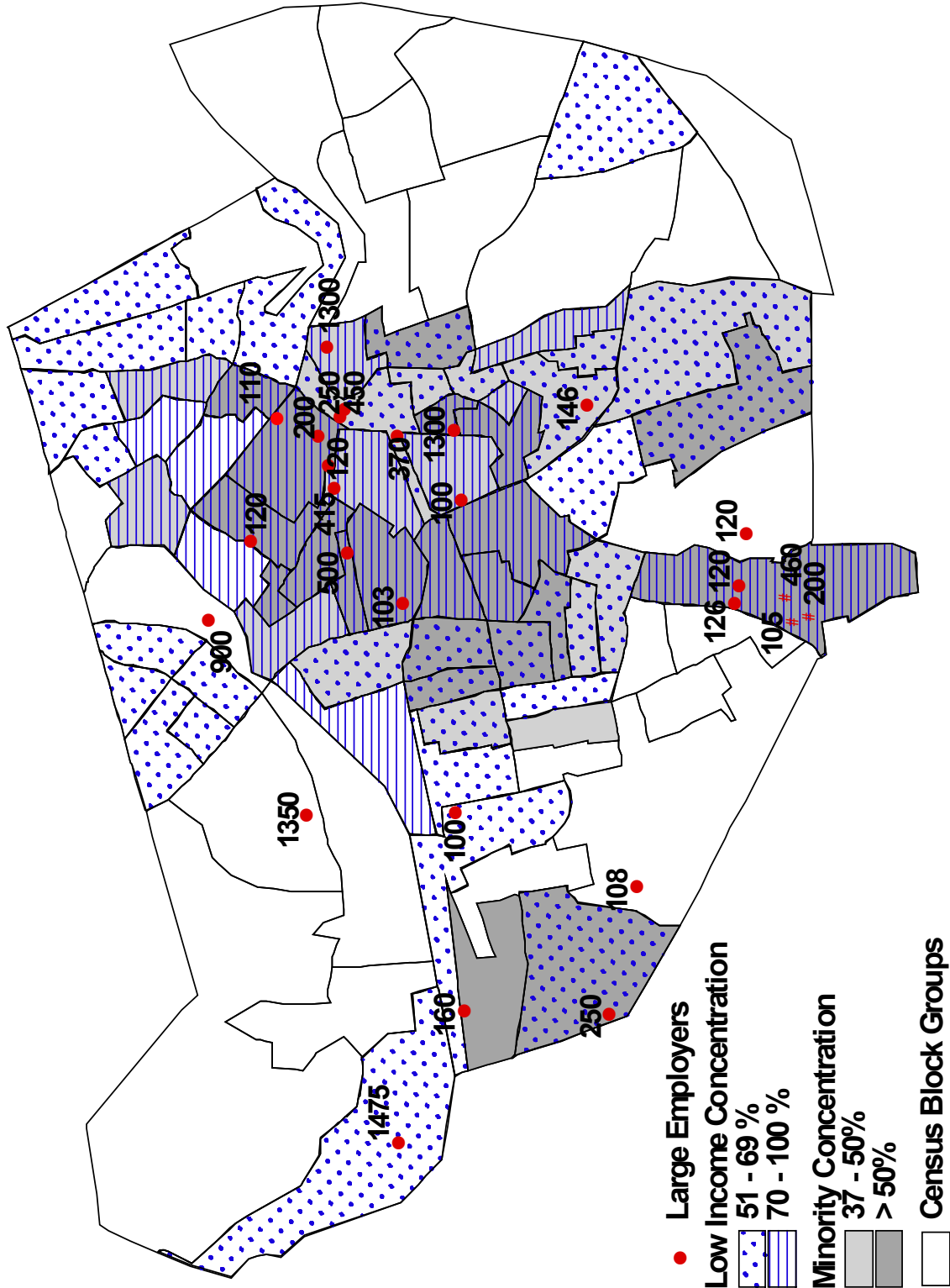
TABLE 2-6 LOWELL: MAJOR EMPLOYERS (2005)

Company Name	Industry	Location	Number of Employees
M/A COM, Inc.	Electronics	1011 Pawtucket Blvd/ 100 Chelmsford St	1,475
Lowell General Hospital	Hospital	295 Varum Ave	1,350
Saints Memorial Hospital	Hospital	1 Hospital Drive	1,300
Commonwealth of Massachusetts	Superior Court	360 Gorham St	1,300
University of Massachusetts/ Lowell	State University	1 University Ave	900
Verizon	Communications	900 Chelmsford St	460
Demoulas Supermarkets	Retail Groceries	331 Fletcher St	500
Middlesex Community College	Education	33 Kearney Square	450
Community Teamwork Inc.	Human Services	167 Dutton St	415
Commonwealth of Massachusetts	Juvenile Court	89 Appleton St	370
U.S. Filters/ Uonpure Inc.	Filter Manufacturing	10 Technology Drive	250
Lowell Sun Publishing	Daily Newspaper	15 Kearney Square	250
Chase Access Services	Financial Services	900 Chelmsford St	200
Lowell Five Cents Bank	Financial Services	34 John St	200
Bradford Industries	Textile	1857 Middlesex St	160
Dutton Yarn	Textile	38 Prince Ave	146
Eltech Electronics	Electronics	790 Chelmsford St	126
Enterprise Bank	Financial Services	222 Merrimack St	120
Fred C Church	Insurance	41 Welman St	120
Albert Notini & Sons	Wholesale Distribution	225 Aiken St	120
Interstate Container Co.	Corrugated Containers	240 Industrial Ave East	120
TRS Environmental	Environmental	Foot Of John St	110
DS Graphics	Printing & Publishing	120 Stedman St	108
Eastman Kodak Co.	Photographic Products	900 Chelmsford St	105
Keyspan	Utility	775 Dutton St	103
Ideal Tape Company	Pressure- sensitive Tape	1400 Middlesex St	100
Lowell Lolaw Transit	Transportation	145 Thorndike St	100
Total			10,958

Source: City of Lowell, Division of Planning and Development

The distribution of these employers throughout Lowell is illustrated on Map 2-4. Approximately 77% of these are located in block groups with high concentrations of minority populations and low- and moderate-income households. Ancillary service employers in these areas add to the total number of jobs offered for a wide range of skilled and unskilled employees.

MAP 2-4: LOCATION OF LOWELL'S LARGEST EMPLOYERS



Source: City of Lowell, Division of Planning and Development

2.4 Housing Profile

The average sales price for both single-family homes and condominiums have increased in the last five years, according to data provided by The Warren Group in Table 2-7. As Table 2-7 indicates, among single-family homes alone, there was a 14 % increase in total sale prices from 2003 to 2004.

TABLE 2-7: LOWELL HOUSING SALES TRENDS

Year	1-Family	Condo	All Sales	% Increase
2004	\$248,900	\$165,000	\$236,000	10%
2003	\$218,000	\$144,900	\$214,950	20%
2002	\$195,000	\$129,000	\$179,000	19%
2001	\$170,000	\$104,900	\$150,000	20%
2000	\$144,700	\$85,000	\$125,000	

Source: The Warren Group

According to the 2000 US Census, Lowell has a total of 39,468 housing units, 37,887 of which are occupied. Of the occupied units, 43% are owner-occupied and 57% are renter-occupied.

Map 2-5 illustrates the percentage of owner-occupancy by block group in relation to areas of high concentration of minority populations and high concentrations of low- and moderate-income households. The majority of owner-occupied housing is located in block groups with higher-income, low-minority concentrations. Conversely, block groups with higher concentrations of low-income and minority residents typically have fewer owner-occupied housing units. Several common factors characterize block groups with low homeownership rates, including:

- Lack of single-family (1-4 units) structures
- Concentration of multi-unit (5-150 units) structures
- Concentration of subsidized housing
- High concentration of business, industrial and multi-family zoning districts

The National Low-Income Housing Coalition released a study that identified Massachusetts as having the second least affordable rental housing in the nation. The average rent for a two-bedroom home in Lowell increased by approximately 29% from \$855 in 2001 to \$1,212 in 2005 according to HUD. Based on the housing market, HUD allows the Lowell Housing Authority to spend between 90% and 110% of the Fair Market Rent on its Housing Choice Voucher Program. These payment standards, adopted by the LHA in October 2004, allow voucher recipients greater flexibility in finding housing. According to the LHA, as the rental market has softened within the last year, recipients have been more successful in finding apartments within the HUD Fair Market Rate structures. Table 2-8 shows the rental rates reported by the Lowell Housing Authority as of March 2005.

TABLE 2-8: RENTAL RATES

Unit size	Fair Market Rent			Payment Standard
	2001	2005	Percent Change	
1 Bed	\$708	\$856	21%	\$941
2 Bed	\$855	\$1,102	29%	\$1,212
3 Bed	\$1,071	\$1,316	23%	\$1,447
4 Bed	\$1,198	\$1,437	20%	\$1,580
5 Bed	\$1,377	\$1,652	20%	\$1,817

Source: U.S. Dept. of Housing and Urban Development and LHA

According to the Massachusetts Department of Housing and Community Development's Subsidized Housing Inventory, updated in March 2005, 13.1% or 5,174 units of the City's total housing stock are affordable and qualify under the M.G.L. Ch40B inventory. Lowell is one of only 24 communities that exceeds the State's goal of 10% affordability under Chapter 40B. In addition, the Lowell Housing Authority and Community Teamwork Inc., a regional multi-service non-profit, manage 1,909 Section 8 Rental Vouchers in the City of Lowell. When these vouchers are factored into the subsidized housing units, the total percentage of affordable housing in Lowell increases to 18%, representing 31% of the total rental units in the City.

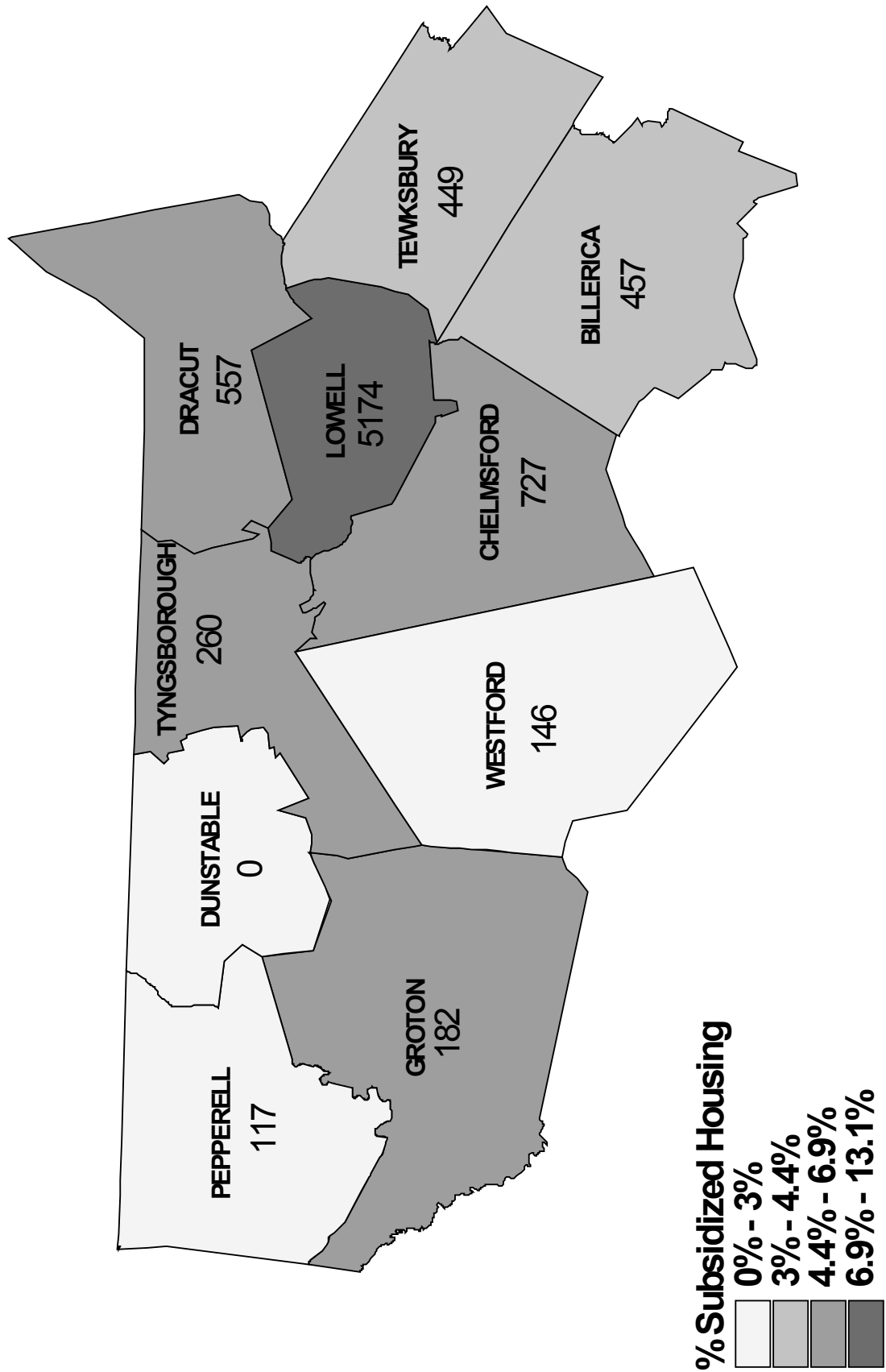
Since 2001, other communities in the Lowell, MA-NH PMSA have made progress in creating subsidized units. Table 2-9 provides a subsidized housing inventory for municipalities in Greater Lowell. This information is also depicted on Map 2-6. As the information shows, Lowell is providing more than 64% of the total affordable units in the PMSA. Lowell's affordable housing units are primarily sited in the City's center. As Map 2-7 indicates, 62% of Lowell's total subsidized units are located in Census Tracts # 3110, 3101, 3119, 3111, where access to public transportation and other services are more accessible.

TABLE 2-9: LOWELL, MA PMSA – SUBSIDIZED HOUSING INVENTORY

Municipality	Population	Total Housing Units	2001 Subsidized Housing		2005 Subsidized Housing		Percent Change (2001-2005)	Affordable Units Needed to Achieve 10%
			Number	Percent	Number	Percent		
Billerica	38981	13055	212	1.70%	457	3.50%	115.60%	849
Chelmsford	33858	12981	457	3.90%	727	5.60%	59.10%	571
Dracut	28562	10597	283	3.10%	557	5.30%	96.80%	503
Dunstable	2829	933	0	0.00%	0	0.00%	0.00%	93
Groton	9547	3339	93	3.40%	182	5.50%	95.70%	152
Lowell	105167	39381	5130	12.70%	5174	13.10%	0.90%	0
Pepperell	11142	3905	117	3.30%	117	3.00%	0.00%	274
Tewksbury	28851	10125	393	4.40%	449	4.40%	14.20%	564
Tyngsborough	11081	3784	116	3.80%	260	6.90%	124.10%	118
Westford	20754	6877	120	2.20%	148	2.20%	23.30%	540
TOTALS	290,772	104,977	6,921		8,071		16.60%	3663
Lowell % of Total	36.17%	37.51%	74.12%		64.11%		-13.50%	

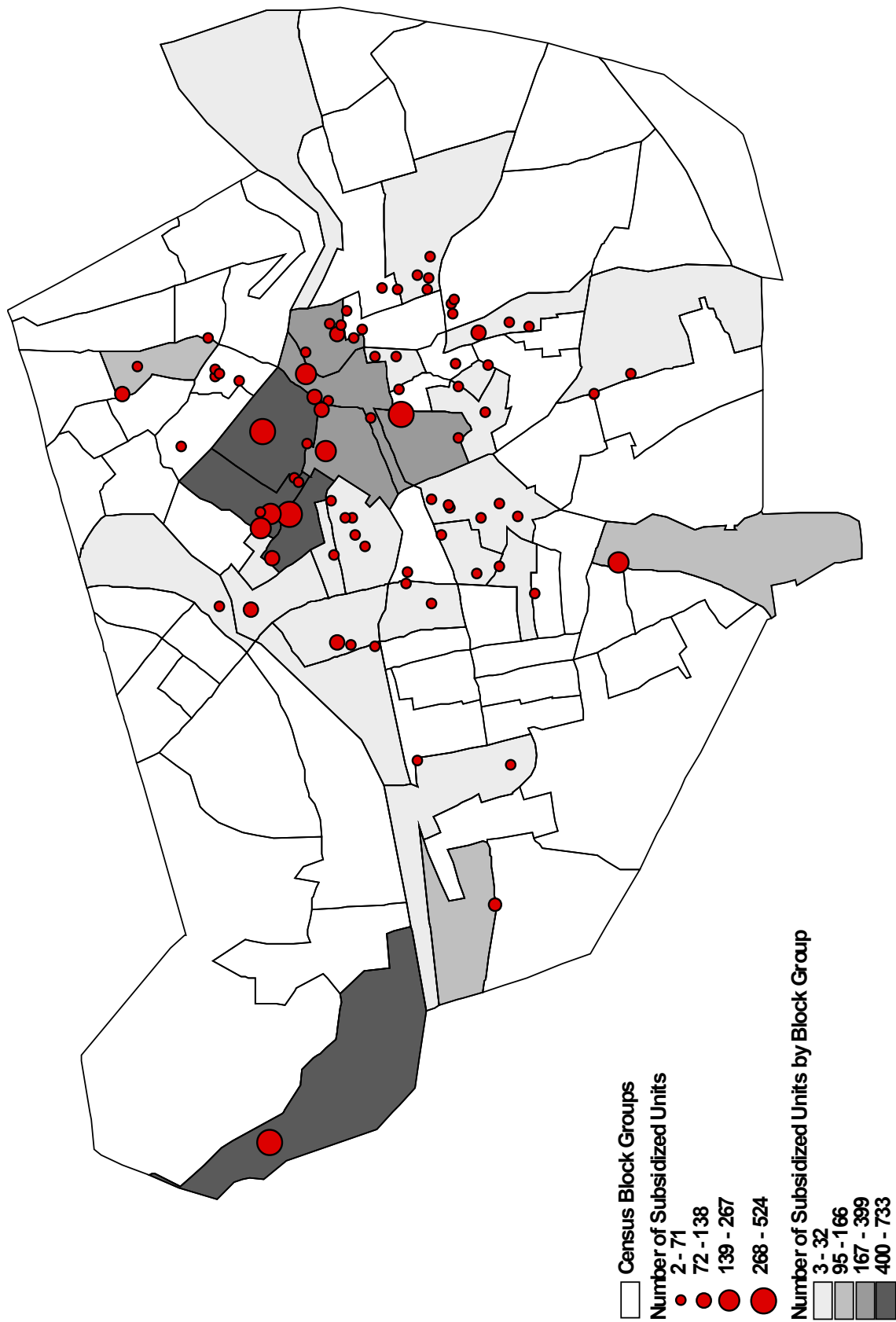
Source: Department of Housing and Community Development, March 2005
Note: Lowell, MA -NH PMSA includes Pelham, NH. Pelham is not included in this data.

MAP 2-6: SUBSIDIZED HOUSING IN LOWELL MSA REGION



Source: Department of Housing and Community Development, March 2005

MAP 2-7: LOCATION AND NUMBER OF SUBSIDIZED UNITS BY LOWELL BLOCK GROUP



Source: Department of Housing and Community Development, March 2005

Of the 5,174 total units of subsidized housing in Lowell, 1,893 are located in public housing developments. 983 of these units are reserved for elderly residents, while the remaining 910 are set-aside for families. A total of 64 units are handicapped accessible, of which 40 are located in elderly developments and 24 are located in family developments. Of the total public housing units in Lowell, 98% of the units are occupied. The low vacancy rate is due to resident turnover and upgrading of units for new tenants. Detailed information is provided for each public housing development in Lowell in Table 2-10.

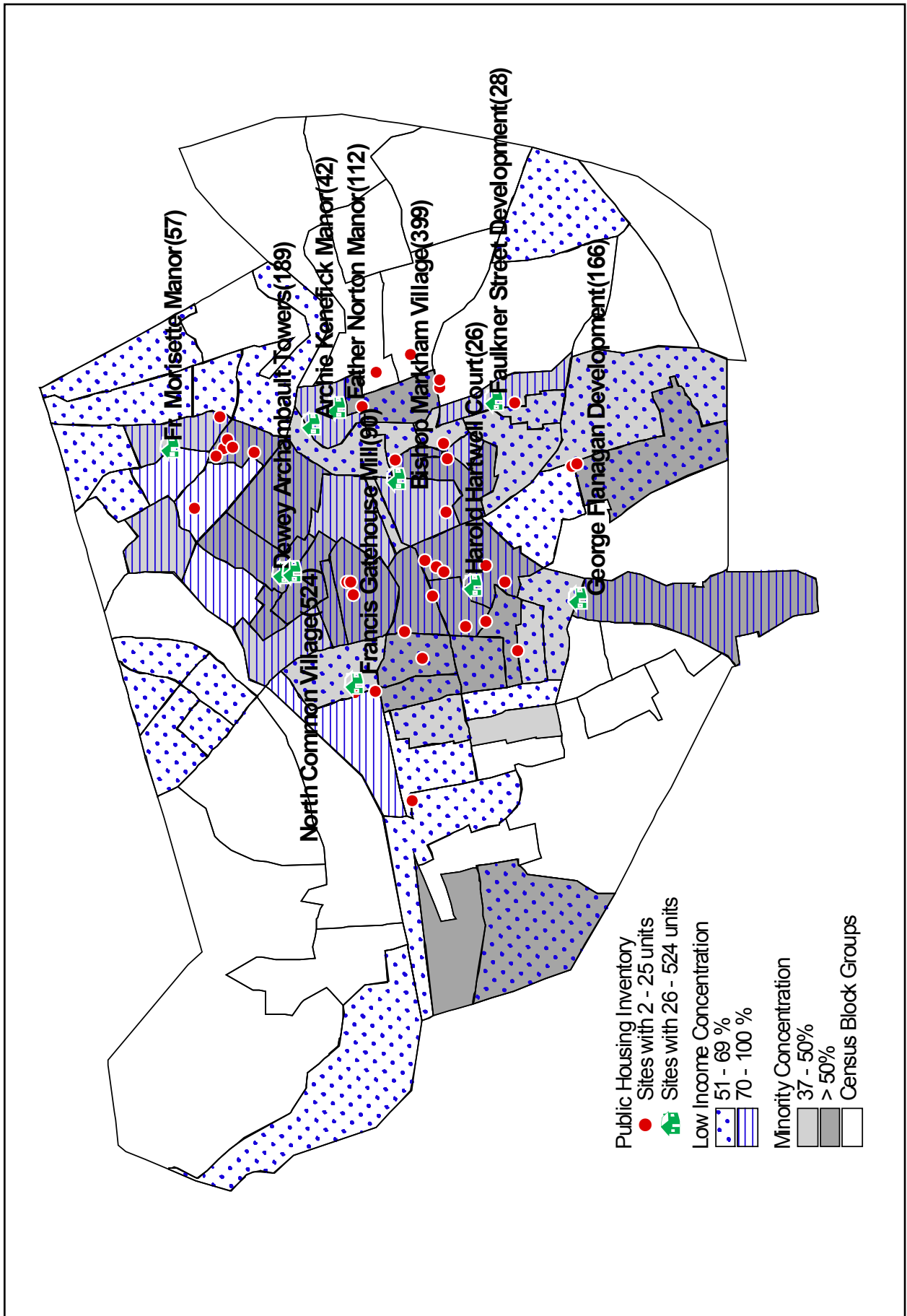
TABLE 2-10: LOWELL PUBLIC HOUSING UNITS

Housing Development	Total Units	Occupied Units	Type of Units	# Accessible Units	% White	% Hispanic	% Black	% Asian
Archie Kenefick Manor	42	42	Elderly	3	100.0%	0.0%	0.0%	0.0%
Bishop Markham Village	399	381	Elderly	23	66.1%	24.4%	4.2%	5.2%
Dewey Archambault Towers	189	188	Elderly	2	81.4%	7.4%	2.7%	8.5%
Fr. Morrisette Manor	57	57	Elderly	3	94.7%	3.5%	1.8%	0.0%
Fr. Norton Manor	112	112	Elderly	0	91.1%	3.6%	3.6%	1.2%
Francis Gatehouse Mill	90	90	Elderly	9	96.7%	0.0%	1.1%	2.2%
Lawrence - Faulkner St.	27	27	Elderly	0	100.0%	0.0%	0.0%	0.0%
Scattered Sites	67	64	Elderly	0	51.5%	37.5%	3.1%	7.8%
Total - Elderly	983	961		40				
705-C	23	19	Family	0	10.5%	47.4%	5.3%	36.8%
George W. Flannagan Village	166	166	Family	8	32.5%	46.4%	6.0%	15.1%
Harold Hartwell Crt.	26	26	Family	0	23.1%	53.8%	7.7%	15.4%
Lagrange St.	10	10	Family	1	40.0%	60.0%	0.0%	0.0%
Lane-Liberty-Walker St.	32	31	Family	0	38.7%	32.2%	9.7%	19.4%
North Common Village	524	520	Family	10	22.9%	54.6%	3.1%	19.4%
Scattered Sites	105	101	Family	5	17.8%	48.5%	1.0%	32.7%
Scattered Sites (Community Residences)*	24	24	Family	0	n/a	n/a	n/a	n/a
Total - Family	910	897		24				
TOTAL	1893	1858		64				

Source: Lowell Housing Authority

The location of these public housing developments is illustrated on Map 2-8. Similar to the distribution of subsidized privately owned housing units, Lowell's public housing developments are primarily located in the downtown and surrounding neighborhoods.

MAP 2-8: LOCATION OF PUBLIC HOUSING BY BLOCK GROUP



Source: Lowell Housing Authority

2.5 Other Relevant Data

2.5.1 First Time Homebuyers

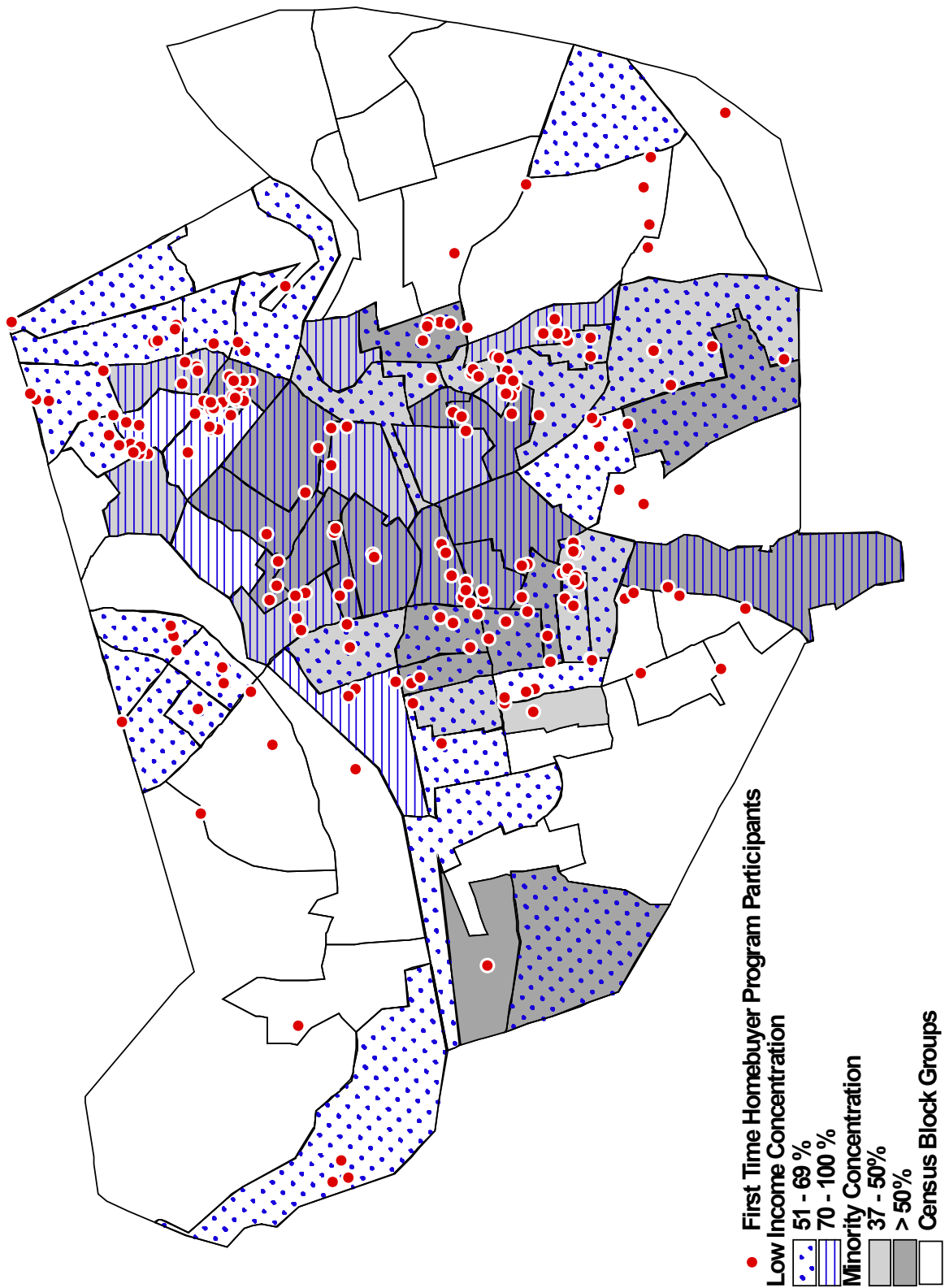
Lowell administers several programs aimed to assist low- and moderate-income households acquire and maintain housing. The City's First Time Homebuyers Program, Housing Rehab Program, and Lead Abatement Program distribute CDBG and HOME funds to eligible applicants. Over 50% of the First Time Homebuyer participants are minority, a rate that is higher than the overall rate of minorities in the city as of 2000. Table 2 –11 below verifies that the rate of first time homebuyer assistance is distributed proportionately based on the overall minority rate in Lowell. The distribution of the households participating in the program is illustrated on Map 2-9.

TABLE 2-11: LOWELL FTHB PARTICIPANTS (2000-2005)

Income Ranges of Participants	Total Participants	# Minority Participants	% Minority Participants
Extremely Low-income (0-30% AMI)	5	2	40.0%
Low-income (31-50% AMI)	66	39	59.1%
Moderate-income (51-80% AMI)	189	90	47.6%
TOTAL	260	131	50.4%

Source: City of Lowell, Division of Planning and Development

MAP 2-9: FIRST TIME HOMEBUYER ACTIVITY BY LOCATION



Source: City of Lowell, DPD

2.5.2 Lead Paint

Like many of the older densely populated cities of the Northeast, Lowell has a high rate of apartments that contain lead paint hazards because housing built before 1979 has a high probability of lead abatement needs. There are 34,230 housing units in Lowell built before 1979, comprising 85% of Lowell's housing inventory. 19,500 (57%) of these units are located in areas of the city with high concentrations of low-income and minority families.

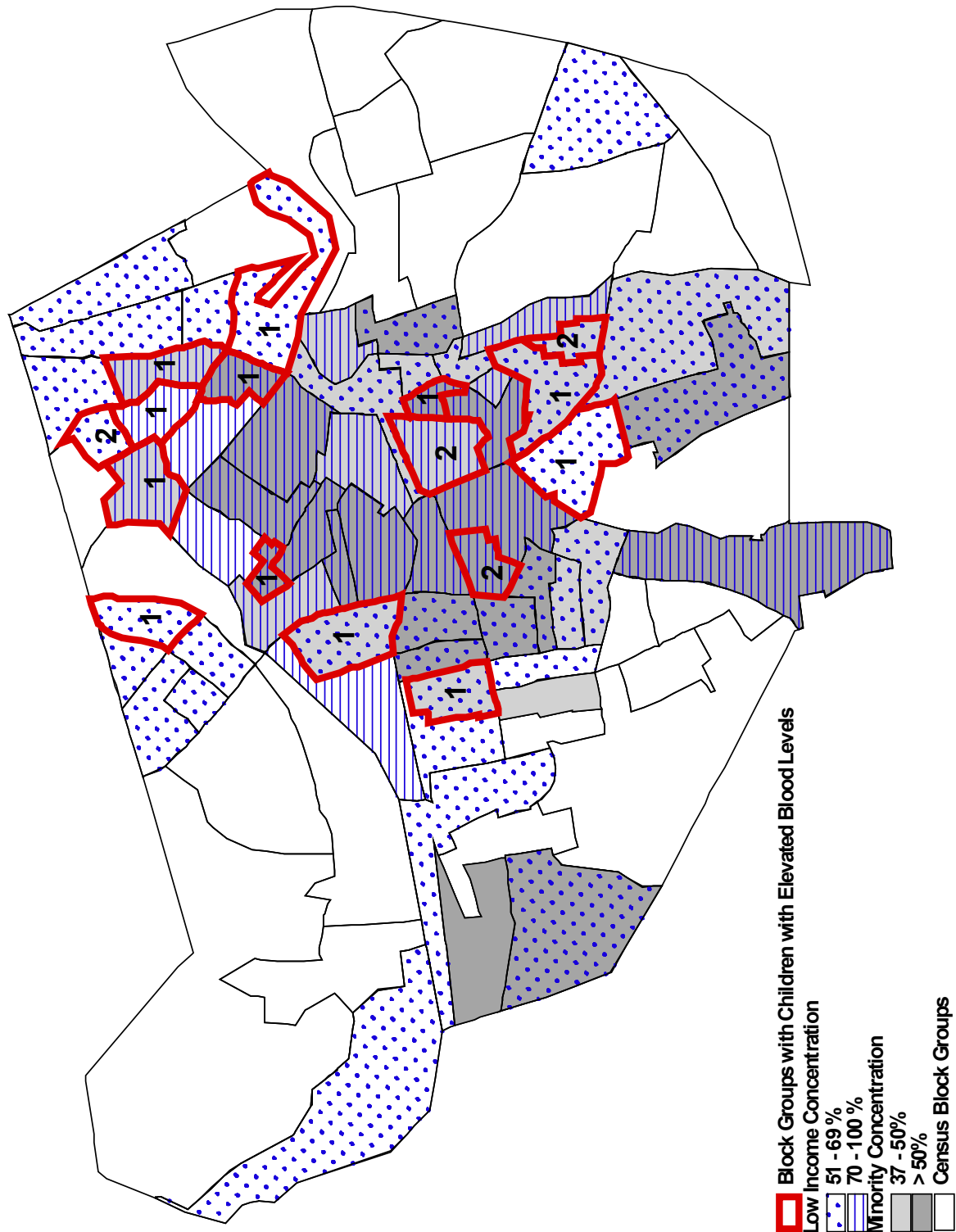
Due to the age of the housing stock and the relatively large number of low-income households, Lowell is a high-risk community for childhood lead poisoning. 2.6% per 1000 children screened from 1998-2003 have an elevated blood level of 15(ug/dl), which is considered moderately elevated. The State rate is 1.5/1000 children. The adjusted rate which factors in the percent of homes built before 1950 and households with low or moderate income is 4.1 per 1000 children, which makes it the 13th highest rate in the state. This information is provided in Table 2-12. Map 2-10 identifies the location of children with elevated blood in Lowell. Lowell has been very successful in combating the incidence of childhood lead paint poisoning with a targeted approach of its Lead Abatement Program.

TABLE 2-12: HIGH RISK COMMUNITIES FOR CHILDHOOD LEAD POISONING (1998-2003)

Rank	Community	5-Year Cases	Rate: Cases per 1000	% Low-income	% Structures pre-1950	Adjusted Rate	% Screened
1	Lawrence	97	4.1	59%	61%	9.6	77%
2	New Bedford	81	3.3	58%	66%	8.2	93%
3	Fitchburg	30	3.7	47%	65%	7.3	71%
4	Holyoke	38	3.4	55%	55%	6.7	74%
5	Lynn	79	3.2	47%	66%	6.4	84%
6	Springfield	116	3.3	56%	52%	6.2	68%
7	Boston	348	2.8	45%	67%	5.5	90%
8	Worcester	99	3	49%	57%	5.4	72%
9	Chelsea	29	2.3	56%	60%	5	94%
10	Brockton	89	3.6	44%	46%	4.7	86%
11	Pittsfield	23	2.4	49%	61%	4.7	90%
13	Lowell	65	2.6	45%	54%	4.1	71%
14	Haverhill	39	3.2	35%	49%	3.6	68%
15	Somerville	25	1.9	36%	78%	3.5	82%
16	Fall River	31	1.4	57%	64%	3.3	81%
17	Salem	16	1.9	40%	61%	3	91%
18	Chicopee	15	1.9	49%	42%	2.5	62%
19	Malden	16	1.6	38%	58%	2.3	68%
	MA High Risk	1,236	2.9	48%	61%	5.5	81%
	Massachusetts	1,803	1.5	35%	44%	1.5	72%

Source: City of Lowell, DPD

MAP 2-10: LOCATION OF CHILDREN WITH ELEVATED BLOOD IN LOWELL, MA



Source: City of Lowell, DPD

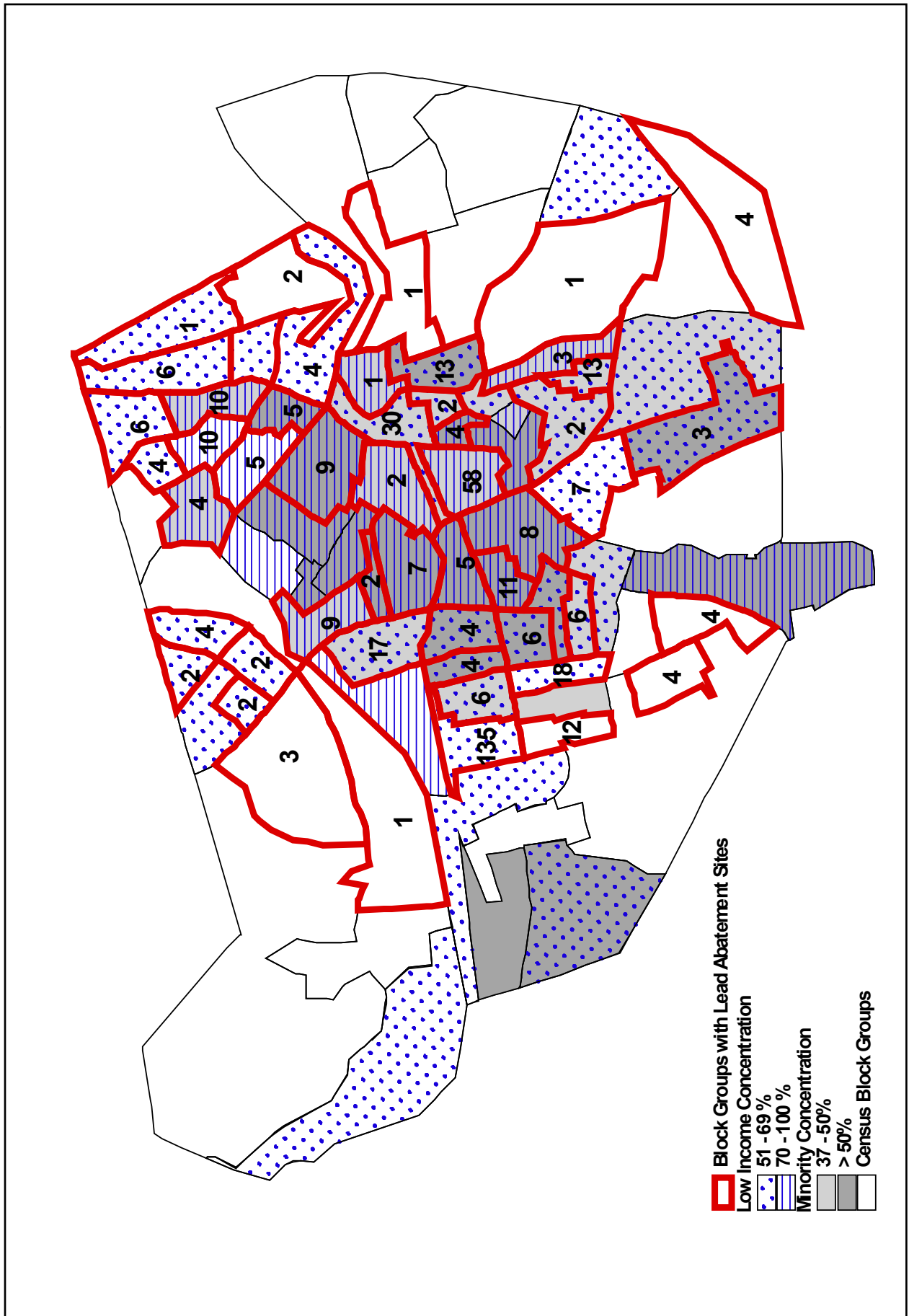
The Massachusetts Lead Law requires the removal or covering of known lead paint hazards in homes built before 1978 where any children under six live. Lead paint hazards include loose lead paint and lead paint on windows and other surfaces accessible to children. Owners are responsible for complying with the law. This includes owners of rental property as well as owners living in their own single family home. If a child is lead poisoned by lead hazards where the child lives, the owner is legally responsible. An owner cannot avoid liability by asking tenants to sign an agreement that they accept the presence of lead paint.

Over 131 properties, representing 542 units, have been deleaded through the City's Lead Abatement Program since 2000. The locations of the lead abatement sites are evenly distributed throughout the city, and are identified on Map 2-11.

The high cost of deleading units in Lowell has the effect of limiting the number of apartments that are safe to rent to families with young children because many landlords are unwilling or not financially able to undertake deleading of their apartments. In addition, landlords incur liability associated with a child who may become lead poisoned while living in his/her apartment. Consequently, local housing advocates report that many renters are asked if they have children and are discouraged from looking at apartments if they do even though Fair Housing Law states that it is unlawful to discriminate against families with children.

The City's abundance of older housing stock with lead paint, in conjunction with Massachusetts Lead Paint Law has the effect of impeding the housing options of families with young children. The potential impediment to fair housing is identified in the current AI in Chapter VI.

MAP 2-11: LOCATION OF LEAD ABATEMENT SITES IN LOWELL, MA



Source: City of Lowell, DPD

3.0

EVALUATION OF JURISDICTION'S CURRENT FAIR HOUSING LEGAL STATUS

3.1 Fair Housing Complaints or Compliance Reviews where the Secretary Has Issued a Charge of or Has Made a Finding of Discrimination.

The Massachusetts Commission Against Discrimination (MCAD) ensures equality of opportunity by enforcing the Commonwealth's Anti-discrimination laws, chapters 151B & 272, through the resolution of complaints of discrimination in the areas of employment, housing, public accommodations, services, credit and education. The MCAD reports all fair-housing-related complaints to the Department of Housing and Urban Development Fair Housing and Equal Opportunity office as required under law.

The following Table lists the housing discrimination cases regarding property in Lowell that have been reported to the Massachusetts Commission Against Discrimination (MCAD) since 2001.

TABLE 3-1: HOUSING COMPLAINT HISTORY FOR LOWELL

Record	Respondent	Date filed	Basis of Alleged Discrimination	Status
01160033	River Place Towers; Princeton Properties	01-08-01	Mental Illness	Closed 2/22/01: Lack of Probable Cause
011600257	Dan Clark – Princeton Plaza; Princeton Properties	01-30-01	Black (Non Hispanic)	CLOSED
01160946	Westminster Village Apartments Et Al	04-12-01	Age	CLOSED
01161177	Roger Welsmeyer	05-02-01	Marital Status	CLOSED
01161494	Jim Fee/Upm Inc./Marguerite Bradshaw, trustee Ford	05-25-01	Marital Status	CLOSED
01162474	Savan Seng & John L/N/U (Agent)	09-06-01	National Origin	CLOSED
011610335	Mr. Charles	10-30-01	National Origin	CLOSED
021600612	Conrad Gauthier	03-07-02	Sexual Orientation	CLOSED
031600868	Sophia Panagiotopoulos	04-08-03	Familial	CLOSED
041602005	Princeton Properties	07-23-04	National Origin	CLOSED
041602418	Centurion Management	08-31-04	Sex, other	CLOSED
041603071	L/N/U	11-15-04	Disability	Active

Source: Massachusetts Commission Against Discrimination

The MCAD complaint history since 2001 represents a very small snapshot of housing discrimination in the private sector. Fair housing discrimination in the private sector is very difficult to measure due to the fact that a small percent of discrimination is reported as most protected classes do not know that they have been discriminated against or do not know what constitutes discrimination. Fair Housing discrimination can be very subtle. Housing providers agree that the majority of apartment seekers who are discriminated against are not inclined to report discrimination for a variety of reasons including lack of education about discrimination and fair housing laws, and lack of time and transportation to file a complaint to the MCAD in Boston.

The Greater Boston Fair Housing Center, a non-profit organization with the mission of ending illegal housing discrimination in the greater Boston area, conducted a study of housing discrimination in the greater Lowell and Merrimack Valley area rental markets in 2004. The audit tested for discrimination against African American, Asian, Latinos, and families with children. See Attachment D for a full copy of this study.

3.2 Fair Housing Discrimination Suit(s) Filed by the Department of Justice.

-None-

3.3 Fair Housing Discrimination Suit Filed by Private Plaintiffs.

In 2001, the Massachusetts Law Reform Institute, on behalf of the Massachusetts Union of Public Housing Tenants and a group of residents, filed suit in Middlesex Superior Court to prevent demolition of the Julian D. Steele public housing complex on Gorham Street. The defendants named are the Lowell Housing Authority, the City of Lowell, and Jane Wallis Gumble, Director of the Massachusetts Department of Housing and Community Development. To date, several counts from the original suit have been dismissed.

See Chapter VI for more information.

3.4 Reasons for Any Trends or Patterns to Which New or Revised Fair Housing Actions May be Needed Because of These Trends.

There are no trends that need to be addressed in this section.

4.0 IDENTIFICATION OF IMPEDIMENTS TO FAIR HOUSING CHOICE

4.1 Public Sector

4.1.1 Zoning and Site Selection

Zoning and Land-Use Compliance With Fair Housing Laws:

The City of Lowell continues to work to eliminate barriers that may limit the production or feasibility of affordable housing construction that are within the capacity of local government to address. Foremost among these are zoning and land-use regulations. In December of 2004, the Lowell City Council adopted a comprehensive reform of the City's zoning regulations, consistent with the 2003 Master Plan.

Under the new zoning, more than 38% of the City's land area is zoned to allow multi-family development in residential or mixed-use zoning districts. The City allows significant density in these zones as described in Table 4-1. Even the most restrictive single-family zone allows more than four units per acre. In addition, the City's Zoning Ordinance allows accessory dwelling units in single-family zoned areas and encourages the conversion of existing buildings including schools, churches, and obsolete industrial buildings, into multi-family residential uses, even when those buildings are located in single-family zoning districts. In certain urban mixed-use zoning districts parking restrictions are limited to one space per unit, and a by-right waiver for all required parking is provided if spaces are leased in a public parking structure within 1,500 feet of the project site.

TABLE 4-1: MAXIMUM ALLOWABLE RESIDENTIAL DENSITIES IN LOWELL ZONING DISTRICTS

Zoning District(s)	Proportion of Land Area	Units per Acre
Suburban Multifamily (SMF), Suburban Mixed Use (SMU), & Traditional Two-Family (TTF)	18%	14.5
Traditional Multifamily (TMF), Traditional Mixed Use (TMU), & Neighborhood Business (NB)	9%	17
Urban Multifamily (UMF) & Urban Mixed Use (UMU)	3%	43.5
Downtown Mixed Use (DMU), High Rise Commercial (HRC), and Institutional (INST)	8%	60-120*

Source: City of Lowell Zoning Ordinance

***Limited only by floor area ratios.**

Lowell's permit fees and development review process are also some of the least burdensome in the region. The City does not charge development impact fees or technical review fees that are permitted under Massachusetts General Law and places no special permitting reviews on affordable housing projects that would not be required of all developments.

In recent years, the Lowell Planning Board has approved three subdivisions that collectively include 100 units of affordable housing. In each case, the approval included multiple waivers of the infrastructure design standards for a subdivision that served to reduce the cost of construction. In addition, the Concord Meadows subdivision, located at the former Julian D. Steele site, was approved

as a planned residential development. This designation allows reduced lot area, reduced setback, and reduced frontage requirements. It also minimizes the infrastructure costs by clustering the building lots, which results in shorter utility runs and roadways, and communal open space resources for its residents.

Housing affordability in Lowell is largely an economic issue, not a regulatory one, and the City's public policies relative to housing are not restrictive discriminatory. The City's tax policies generally affecting land and other property, land use controls, zoning ordinances, building codes, code enforcement, fees and charges, growth limits and policies that affect the return on residential (including supportive housing) investment are not major impediments to the development of affordable housing opportunities in Lowell. There are neither Court orders nor HUD sanctions in effect in Lowell.

Group Homes:

The City of Lowell's Zoning Ordinance does not restrict the location of group homes in any manner that conflicts with the Joint Statement of the Department of Justice and The Department of Housing and Urban Development for Group homes. Definitions of family and classifications of use are applied equitably to all projects. No specific restrictions are placed on group homes serving any type of population.

Most group homes in the City of Lowell are affiliated with a State Agency and are therefore exempt from local zoning regulation except for the reasonable regulation of building size, bulk, lot size, and other dimensional requirements to insure the health, safety, and welfare of citizens and occupants. Group homes are fairly evenly distributed throughout the City with many located in the Pawtucketville neighborhood, one of the City's wealthiest, and least diverse neighborhoods.

Family Status:

The City of Lowell Zoning Ordinance Article II defines a family as "An individual, or two (2) or more individuals related by blood, marriage, or adoption living together, or not more than three (3) individuals not related by blood, marriage, or adoption living together." This definition is enforced without prejudice and, although fairly lenient, any restrictions on unrelated co-habitation are intended to prevent over-crowding of off-campus student residences near the UMass, Lowell campus. The only standards that restrict the number of occupants in a home are based on state sanitary code requirements for issuing habitation certificates and are related to a minimum number of square feet required for each occupant of rental housing.

Public Housing:

Public Housing developments in Lowell are subject to the same procedures and requirements as other private developments of four or more units. For any proposed project that includes four or more units a public hearing is required as part of the Planning Board's site plan approval process. The public hearing includes notification to abutters of the basic nature of the project and the name of the proponent. As similar public hearing and notification requirement exist for residential subdivisions under the State subdivision control law and are enforced fairly and equally for all applicants, Lowell's process for reviewing public housing developments complies with fair housing requirements.

Homeless Persons:

The City of Lowell does not have an ordinance criminalizing homelessness directly or addressing vagrancy. Section 17-6(a) of the City's Code of Ordinances addresses loitering as follows: "No person shall stand or loiter in or on any street, sidewalk or public place in such a manner as to obstruct the free passage or travelers thereon nor shall any person on such a street, sidewalk, or public place, after being directed by a police officer to move on and disperse, on a same or subsequent day, reassemble or loiter or remain so as to obstruct the free passage of travelers or motor vehicles; provided that nothing

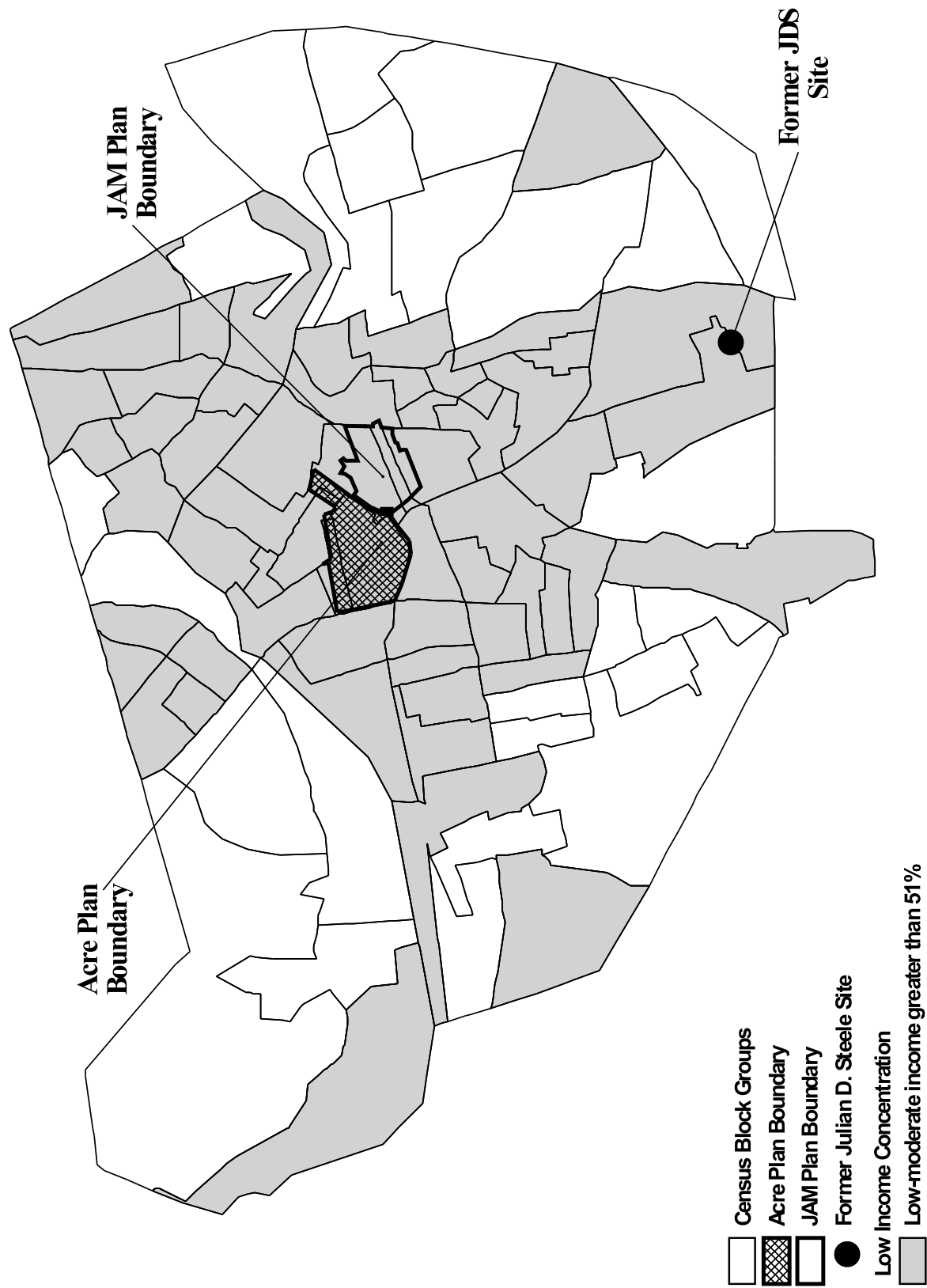
contained in this section shall be construed to deny the right of peaceful picketing.” This law has generally only been used as a tool to reduce gang intimidation and violence in parks and on downtown streets.

4.1.2 Neighborhood Revitalization, Municipal and Other Services, Employment-Housing-Transportation Linkage.

Neighborhood Revitalization Projects:

The City has three major neighborhood revitalization projects that it plans to continue to implement over the next 5 to 10 years. These projects, as Map 4-1 illustrates, are located in block groups with high concentrations of both low-income and minority populations. Each accompanying revitalization strategy has housing goals and/or economic development/urban revitalization goals and is discussed in more detail below. These projects have multiple financial partners that include non-profit and for-profit developers, neighborhood residents, private lending institutions, and federal, state, and local resources. CDBG and HOME Program funds will continue to be expended for initial planning expenses, predevelopment, and capital expenses for all of three programs. Anti-displacement and Relocation Plans for all three of the Neighborhood Revitalization Projects have been reviewed.

MAP 4-1: LOCATION OF EXISTING NEIGHBORHOOD REVITALIZATION PROJECTS



Source: City of Lowell, DPD

ACRE URBAN REVITALIZATION AND DEVELOPMENT PROJECT

The City will invest a substantial amount of its HOME and CDBG funds in the Acre Urban Revitalization and Development Plan. This is a \$55 million dollar, 20-year plan to revitalize a .17 sq. mi. area within one of the most depressed neighborhoods in the City, known as the “Acre.” Track I of the plan is a five year period which consists of acquisition, demolition, and/or rehab of 55 residential and commercial buildings. A new 650-student middle school is complete along with 103 units of subsidized and market rate housing, a supermarket, a pharmacy, and related services in a centralized commercial node, within walking distance of all housing developments. The Acre Plan will result in the creation of 103 new housing units, including 47 homeownership units targeted to families earning slightly less than the City median households income.

JULIAN D. STEELE REINVENTION PLAN

On December 18, 2002 the State Legislature approved a plan (Chapter 97 of the Acts of 2002) that allowed the Lowell Housing Authority to replace the troubled Julian D. Steele (JDS) state-funded public housing project with a new neighborhood consisting of 180 mixed income units to be constructed in single and two-family owner-occupied homes.

The Residents First Development Corporation is in the process of redeveloping the site of the former JDS Development with a combination of market rate and low-income rental and homeownership units.

The redevelopment of JDS will result in the creation of 180 owner-occupied units on the existing 20-acre Julian Steele site. The new development will consist of 90 single-family units and 45 two-family buildings and will be known as Concord Meadows. Currently, the site is clear and public works construction of infrastructure for the new subdivision has begun.

The potential fair housing impediments of this project are analyzed later in this Chapter.

JACKSON APPLETON MIDDLESEX URBAN REVITALIZATION (JAM) PLAN

The JAM Plan was developed with the vision of creating a vibrant and thriving mixed-use district that could also link the downtown to the Gallagher Transportation Terminal and form a gateway to the City. A new 900 space municipal parking garage with an active retail component on the ground floor is under construction and several housing developments will soon break ground. In all, this \$40 million urban renewal plan will create over 500 jobs and nearly 1,000 new residential units. The plan includes the acquisition, rehab and/or demolition of 22 commercial and residential buildings. The primary goal of the plan is for economic revitalization through private redevelopment and infrastructure improvements.

ADDITIONAL NEIGHBORHOOD REVITALIZATION STRATEGY AREAS

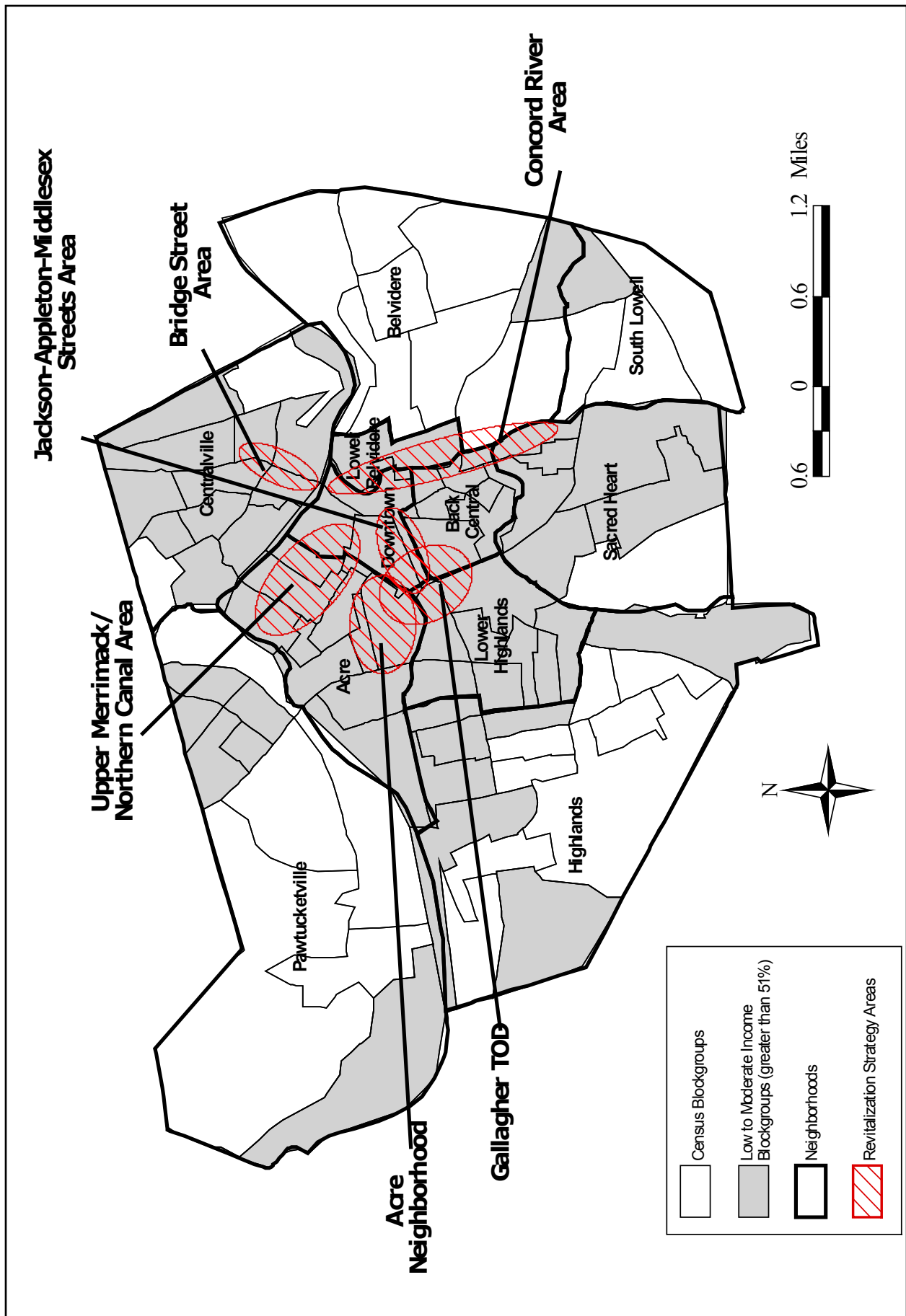
Additional Neighborhood Revitalization Strategy Areas are proposed in the City’s 2005-2010 Consolidated Plan, as an attempt to direct community development initiatives toward key target City neighborhoods where needs are most clearly defined. Table 4-2 identifies locations where the NRSA designation may be sought. All of the areas identified in the table possess the required 70% or greater low- and moderate-income populations. These neighborhoods are highlighted on Map 4-2.

TABLE 4-2: POTENTIAL NRSA LOCATIONS

Neighborhood	Block Groups	LMI Population
Jackson, Appleton, Middlesex Streets	3101.1, 3101.2, 3119.3	76.0%
The Acre Neighborhood	3111.1, 3111.2	73.5%
The Bridge Street Neighborhood	3102.3, 3103.2, 3104.3	72.5%
Upper Merrimack Street/ Northern Canal	3101.3, 3108.1, 3108.2, 3110.1, 3110.3	88.7%
The Concord River Neighborhood	3101.1, 3119.1, 3120.1, 3121.1, 3124.1, 3124.2	70.1%
Gallagher Transit-Oriented Development	3101.1, 3101.2, 3111.2, 3112.1, 3118.3, 3119.3, 3120.3	77.0%

Source: City of Lowell, 2005-2010 Consolidated Plan

MAP 4-2: POTENTIAL NRSA LOCATIONS



Source: City of Lowell, 2005-2010 Consolidated Plan

Municipal and Other Services:

Municipal services such as code enforcement, community policing, street and sidewalk improvements, and neighborhood services are funded with a combination of local tax revenues, state aid, and CDBG funds. CDBG funds are used to supplement these services in neighborhoods that are located within census tracts or block groups where at least 51% of the population is low- to moderate-income. An analysis of these services does not indicate any discriminatory practices. The services are undertaken to insure that all neighborhoods benefit equally.

Employment-Housing-Transportation Linkage:

Lowell is well connected to major employers in the area via public transportation. The Massachusetts Bay Transportation Authority (MBTA) and the Lowell Regional Transit Authority (LRTA) provide public transportation connecting Lowell residents to the major employers in the region. The LRTA operates bus routes throughout Lowell and the surrounding suburbs originating at the Downtown Transit Center and Gallagher Terminal. The MBTA provides commuter rail service from the Gallagher Terminal in Downtown Lowell to North Station in Boston. Inter-city bus lines also serve points in Massachusetts, New Hampshire, Vermont and beyond from the Gallagher Terminal.

The elderly and disabled are served by the LRTA with the Road Runner Program. This service requires at least a one-day advance reservation and costs \$1.00 each way and \$1.50 for out of town service locations. The program serves the same areas as the LRTA and is available until 4pm.

The City of Lowell's Comprehensive Master Plan details a strategy to expand public transportation services in Lowell for residents, employees and visitors. Based on research conducted for the Existing Conditions Report's Transportation component, which included traffic volume and pattern studies, the City of Lowell's Division of Planning and Development recommends the following in the Master Plan:

Recommendation: Provide multi-modal transportation connections within and between Lowell and a variety of regional destinations.

- Action Step: Expand the hours of nightly LRTA operation in conjunction with MBTA community rail arrivals/departures, special events and other locations of evening activities.

The LRTA is completing an extensive revision of their service plan that includes a bus hub at the Gallagher terminal to simplify transfers between public transportation modes as well as extended service hours for some bus routes. The City is currently preparing an application for state transit-oriented-development grant funds to improve the pedestrian and bicycle access and connections to the Gallagher Terminal.

The LRTA has recently expanded their hours of operation on several of the main bus lines and has initiated the new Downtown Circulator service. The bus schedules have extended to 7:40 pm for the #8 Westford, #2Belvidere, and the #11 Pawtucket bus lines. This Downtown Circulator service operates between the hours of 7:45 –11:00 pm and provides transportation to several downtown locations including the Lowell Memorial Auditorium, Saints Memorial Hospital, Tsongas Arena, and the Gallagher Transportation Terminal.

A recommendation was made in the 2001 AI to address the lack of flexible LRTA public transportation hours and the lack of translation services offered. Since 2001, the LRTA has made significant progress on expanding their hours of operation to serve more low-income and minority residents in the downtown during evening hours.

4.1.3 PHA and Other Assisted/Insured Housing Provider Tenant Selection Procedures; Housing Choices for Certificate and Voucher Holders

The Lowell Housing Authority administers 1,893 public housing units and 1,286 housing vouchers. The majority are Federally subsidized. Community Teamwork Inc, a regional community services agency based in Lowell, administers about 2,029 vouchers of which 663 or 32% are currently used for units in Lowell.

The rates of minority populations for each development range from 0-48% at the elderly public sites and 58-90% in the family housing sites. Although minorities constitute the majority of PHA tenants, there is no overly concentrated percentage of minorities in any of the developments.

Tables 4-3 and 4-4 present information from the LHA's Annual Plan for FY 2004. According to the Annual Plan, there are 5,059 families on the waiting list for federal public housing. Approximately 62% of these families are minorities. Federal Public Housing waiting lists are open for one, two, and five bedroom units. The wait lists for three and four bedroom apartments have been closed for seven years. The waiting period for 1-bedroom units is 6-12 months and the wait for 2-5 bedroom units is 1 – 2 years. State Public Housing applications are accepted for emergencies only. Of the 332 families on the Section 8 waiting list, 58% are minorities. The Section 8 waiting list may open for a brief period in the near future.

TABLE 4-3: MINORITY HOUSEHOLDS ON WAITING LISTS

	2001		2004	
	Total	Minority %	Total	Minority %
Federal Public Housing	2,405	60%	5,059	62%
Section 8	921	Unknown	332	58%

Source: Lowell Housing Authority, Annual Plan for Fiscal Year 2004

TABLE 4-4: LENGTH OF WAIT FOR PUBLIC HOUSING AND SECTION 8 VOUCHERS

Type and Size	Waiting period	Status
1 Bedroom Public Housing	6-12 months	Open
2 bedroom Public Housing	1-2 years	Open
3 Bedroom Public Housing	3-4 years	Closed
4 Bedroom Public Housing	3-4 years	Closed
5 Bedroom Public Housing	3-4 years	Open
Section 8 Vouchers	Up to five years	Closed
State Public Housing	For emergencies only	Closed

Source: Lowell Housing Authority

In October 2000 the LHA Board of Commissioners approved their current tenant selection criteria, which include preferences for veterans and working families. While this trend occurred nationwide, LHA was one of the last Public Housing Authorities to implement these changes due to concerns over how disabled and non-working households would be affected. Because disabled households receive income through public assistance and may not work, and because social security income is considered equal to income earned through work for purposes of this comparison, consequences of these new

preferences could adversely affect disabled and/or non-working households' abilities to locate suitable affordable housing.

According to the 2004 Lowell Housing Authority Annual Plan, the preferences for tenant selection are as follows:

- 1 A person/household involuntarily displaced from a dwelling in Lowell by natural disaster, fire, unwarranted landlord or government action, including capital programs of the LHA.
- 2 A working head of household or spouse (who has averaged 20 hours of work a week for at least six months), or a person 62 years or older, or a person unable to work because of the extent of his/her disability.
- 3 A legal resident of Lowell, or person working in Lowell an average of 20 hours per week or more, or a person with a job offer to work in Lowell with a minimum of 20 hours of work per week.
- 4 A victim of domestic violence who has been relocated as verified by the police.
- 5 A veteran as verified by the Department of Veterans Affairs.

The most recent Low Rent Public Housing (LRPH) Administrative Plan is consistent with revised HUD regulations and requirements as set forth in 24CFR Part 5, Federal Register Notices and other binding directives from HUD. The LRPH Administrative Plan has omitted all discretionary matters that were inconsistent with current HUD Regulations and Guidelines. It incorporated all current non-discretionary requirements and automatically incorporates into its Administrative Plan future non-discretionary requirements concurrent with the effective date of the Federal Register Rule or other binding program directives.

The LHA understands the need to broaden housing choices for both minority and non-minority low-income individuals and families. Unfortunately, due to the extremely tight rental market and lack of affordable units in Lowell, and to an even greater extent in the surrounding suburbs, housing choices are extremely limited. The rate of openings for public housing units is approximately 3-4% per year, (about 9-12 units per month), and approximately 6.5% for Section 8 vouchers. Tenants are permitted to request transfers to other public housing developments after a one -year period.

SECTION 504 ASSESSMENT:

The Lowell Housing Authority completed its Section 504 assessment in July 1994 to determine how the LHA can best comply with HUD's accessibility requirements. The assessment was based on a variety of factors including LHA's waiting list for all accessible units. The report concluded that there was a need for less than 5% of all Federal units to be accessible. Currently of the 1893 public housing units, 64 or 3.3% are accessible.

4.1.4 Sale of Subsidized Housing and Possible Displacement

The Lowell Housing Authority is currently implementing three projects that require the relocation of tenants and potentially affect housing choice for residents, many of whom are minorities and other protected classes of citizens.

THE LEWIS STREET PROJECT

LHA initiated a small-scale relocation plan for 18 households in the City's Acre neighborhood. A private developer will acquire the housing site as part of a beautification program that will greatly enhance the surrounding neighborhood. New units will be built in the same neighborhood for displaced tenants.

Those tenants affected by the relocation will remain in their existing homes until the new units are available. The project is a component of the Acre Urban Renewal Plan and has received approval from both the Planning Board and Historic Board. Construction is scheduled to begin within the year.

JULIAN D. STEELE REDEVELOPMENT

On December 18, 2002 the State Legislature approved a plan (Chapter 97 of the Acts of 2002) that allowed the Lowell Housing Authority to replace the troubled Julian D. Steele state-funded public housing project with a new neighborhood consisting of 180 mixed income units to be constructed in single and two-family owner-occupied homes.

The JDS housing project is being redeveloped for a variety of reasons including de-concentrating poverty, creating homeownership opportunities, and providing residents with better housing. As outlined in the 2000 Consolidated Plan's Strategic Plan, the project is part of a strategy to "increase housing opportunities for low-income persons in target neighborhoods by encouraging mixed-income housing proposals that will provide housing alternatives." The Consolidated Plan strategy is consistent with the HUD Statutory goal of "reducing the isolation of income groups within communities and geographic areas and the promotion of an increase in the diversity and vitality of neighborhoods through the special deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods."

The public- private partnership, formed to build this neighborhood, includes a consortium of local banks contributing \$24 million dollars in financing to the project developers. As a partner in this effort, the City of Lowell is utilizing a combination of Consolidated Plan funds, Low Income Housing Tax Credits (LIHTC), project-based subsidies, and private funding to support the development of 220 additional units of affordable housing scattered throughout the City, referred to as "Replication Units." The 220 Replication Units, including 174 completed to date, will mitigate any backlog of families on the waiting created as a result of relocating the 181 tenants of JDS. The planned Replication Units carry the following affordability restrictions:

Affordable to households at or below 50% AMI for 30 years	79 Units
Affordable to households at or below 50% AMI for 15 years	78 Units
Affordable to households at or below 80% AMI for 30 years	32 Units
Affordable to households at or below 80% AMI for 15 years	31 Units
TOTAL Replication Units	220 Units

Seventy-one percent of the units will be affordable to families earning less than 50% of the Area Median Income, an established priority in the City's Consolidated Plan housing needs assessment. In addition to completing the Replication Plan requirements, over the next five years, an additional 53 units affordable to households earning 50% of the AMI or less, with 15-year deed restrictions will be developed. Potential sites have been identified for approximately 65% of these units, many within the Acre Urban Revitalization and Development Plan area.

Of the total Replication Plan units, 44 are being built within the context of the City's Acre Plan described previously in this Chapter. The high quantity of affordable housing development in this plan area is the direct result of requests and demands made by area residents and advocacy organizations for more affordable housing during the preparation of the plan. In addition, 15 of the units are being located in larger market rate developments located in downtown Lowell. These larger market rate developments have had the effect of offsetting the high concentrations of subsidized housing units.

The following table outlines the City's progress to date in completing the Replication Plan.

Affordable to households at or below 50% AMI for 30 years	
Completed	59
Under Construction/Permitting	47
Sites Selected/Out to Bid	0
Affordable to households at or below 50% AMI for 15 years	
Completed	0
Under Construction/Permitting	15
Sites Selected/Out to Bid	0
Affordable to households at or below 80% AMI for 30 years	
Completed	93
Under Construction/Permitting	5
Sites Selected/Out to Bid	4
Affordable to households at or below 80% AMI for 15 years	
Completed	22
Under Construction/Permitting	3
Sites Selected/Out to Bid	0
Total Completed	174
Total Under Construction/Permitting	55
Total Sites Selected/Out to Bid	4
TOTAL	233

The Lowell Housing Authority has relocated all JDS residents based on a comprehensive Relocation Plan created by the consulting firm, Housing Opportunities Unlimited. Between February 2001 and March 2002 all residents were relocated pursuant to all applicable laws and regulations. The relocation process included offering the remaining 180 tenants the choice of receiving a Section 8 certificate or moving into a public housing unit. It is the policy of the Lowell Housing Authority that JDS tenants will have priority placement for subsidized units at the Concord Meadows Subdivision (the reinvented JDS Development) once completed. Table 4-5 summarizes the project plan.

TABLE 4-5: JULIAN STEELE PROJECT SUMMARY

Housing Affordability	Total Affordable Housing Units	Total Market Rate Housing Units	Total Units Available to 0-50% of AMI	Total Units Available to 51- 80% MFI
Affordability at Existing JDS Site				
Affordable Housing units demolished at the Julian Steele site	284 (215 occupied)	NA	211	4
Affordability at Completed Reinvention Site				
Affordable Housing units located at the Julian Steele site (Reinvention Plan)	81	99	63	18
Affordable Housing units located off site (Replication Plan)	220	0	157	63
Total Units	301	N/A	220	81

Source: Lowell Housing Authority

The relocation process insured that all JDS residents were given a reasonable relocation choice. A survey was administered to all of the JDS residents to establish their relocation preference and the LHA continues to monitor the existing location of former JDS residents. Table 4-6 below summarizes this information.

TABLE 4-6: JDS RESIDENT PREFERENCE PLAN AND FINAL RELOCATION DESTINATION

	2005 Current Location		2001 Preference Plan	
	Number of Tenants	% of Total	Number of Tenants	% of Total
Return to JDS	19	11%	n/a	n/a
Section 8	65	36%	57	32%
Other LHA Sites	76	42%	91	51%
Move to Private Sector	20	11%	26	14%
Unknown	n/a	n/a	6	3%
Total	180	100%	180	100%

Source: LHA

The 2001 AI used 1990 Census data for evaluating the minority concentration of block groups for the JDS discussion. At that time, the JDS site had a minority concentration of 53% while the overall concentration of minorities for the city was 22.9%. According to the 2000 Census, the City's minority concentration rose to 37.5%, an increase by approximately 15 percentage points.

Table 4-7 outlines the difference in minority concentration of each destination site vs. the Julian D. Steele Public Housing Development. Given the increase in minority concentration in the city overall, the table also considers the difference based on the overall 15 percentage point increase in minority population citywide. As the table indicates, 55 (39%) of the former JDS tenants, still living in Lowell, have relocated to block groups with lower concentrations of minority households. While 86 (60%)

of the tenants have moved to locations with higher minority concentrations than the former JDS site, it should be noted that the minority concentrations of these block groups differ from the citywide increase by small margins.

TABLE 4-7: STATUS OF TENANTS RELOCATED FROM JULIAN STEELE AS OF 2005

Destination	Block Group	Total JDS Households	Destination Block Group	Minority Concentration	
				Difference Between JDS Site (53%) and Destination Site	Difference Based on Citywide Increase (15%)
				JDS Tenants Relocated to Areas with Lower Minority Concentration	
Other	310602.3	1	9%	-0.44	-0.59
Other	3105.3	2	16%	-0.37	-0.52
LHA Scattered Site	3102.5	2	19%	-0.34	-0.49
LHA Scattered Site	3107.3	1	22%	-0.31	-0.46
Other	3103.4	1	22%	-0.31	-0.46
Other	3102.4	1	23%	-0.3	-0.45
LHA Scattered Site	3102.4	1	23%	-0.3	-0.45
Other	3116.4	1	25%	-0.28	-0.43
Other	312501.3	1	26%	-0.27	-0.42
Other	3102.3	2	31%	-0.22	-0.37
Other	3103.1	2	34%	-0.19	-0.34
Other	3113.3	3	35%	-0.18	-0.33
Other	3122.1	2	38%	-0.15	-0.3
Other	3117.1	2	39%	-0.14	-0.29
Other	3101.1	4	40%	-0.13	-0.28
Other	3103.2	2	40%	-0.13	-0.28
Other	3117.2	2	40%	-0.13	-0.28
Other	3107.1	2	42%	-0.11	-0.26
Other	3121.3	2	42%	-0.11	-0.26
Bishop Markham	3119.3	4	42%	-0.11	-0.26
Harold Hartwell Court	3119.3	1	42%	-0.11	-0.26
LHA Scattered Site	3119.3	4	42%	-0.11	-0.26
Other	3113.2	1	43%	-0.1	-0.25
Other	3124.1	3	43%	-0.1	-0.25
LHA Scattered Site	3101.2	1	45%	-0.08	-0.23
Other	3107.2	2	47%	-0.06	-0.21
Other	3121.1	2	48%	-0.05	-0.2
LHA Scattered Site	3124.2	2	51%	-0.02	-0.17
Other	3122.2	1	53%	0	-0.15
Total Households		55			

JDS Tenants Relocated to Areas with Higher Minority Concentration But a Margin Below the Citywide Increase

LHA Scattered Site	3117.3	2	54%	0.01	-0.14
LHA Scattered Site	3104.3	2	56%	0.03	-0.12
Other	3104.3	2	56%	0.03	-0.12
George Flanagan	3116.9	19	57%	0.04	-0.11
Other	3114.3	1	60%	0.07	-0.08
Other	3113.1	3	60%	0.07	-0.08
Other	3114.3	4	60%	0.07	-0.08
Other	3118.4	2	65%	0.12	-0.03
LHA Scattered Site	3118.4	3	65%	0.12	-0.03
Total Households		38			

JDS Tenants Relocated to Areas with Higher Minority Concentration And a Margin Above the Citywide Increase

LHA Scattered Site	3118.3	4	70%	0.17	0.02
Other	3118.3	3	70%	0.17	0.02
North Common	3110.1	37	72%	0.19	0.04
Other	3111.1	1	77%	0.24	0.09
LHA Scattered Site	3111.2	3	83%	0.3	0.15
Total Households		48			

Summary

Total JDS Tenants Relocated to Areas with Lower Minority Concentration	55
Total JDS Tenants Relocated to Areas with Higher Minority Concentration (But a Margin Below the Citywide Increase)	38
Total JDS Tenants Relocated to Areas with Higher Minority Concentration (And a Margin Above the Citywide Increase)	48

Source: LHA, March 2005

The potential lack of geographic options for minorities being relocated from Julian D. Steele Housing Development was identified as an impediment to fair housing in the 2001 AI to ensure that all residents would be relocated based on choice. According to the Lowell Housing Authority, residents were given several options of housing locations when relocated from JDS. As there were no involuntary relocations of residents, this issue is no longer considered an impediment to fair housing choice.

DESIGNATION OF THE LOWELL HOUSING AUTHORITY'S FEDERAL ELDERLY/DISABLED HOUSING PORTFOLIO:

Lowell Housing Authority's Allocation Plan for Senior Designated Housing received HUD approval in 2001 and was implemented in 2003. The Plan, which sets aside 75% of all non-wheelchair accessible units for the elderly in federal elderly/disabled developments, aims to mitigate the risk of losing 485 elderly one bedroom and efficiency units due to potential loss of affordability status. The "young disabled" may occupy the remaining 25% of the units. When units are unavailable for the "young disabled" in the designated housing developments, or the demand exceeds 25%, Section 8 Certificates are made available.

Complete implementation of the Designation Plan resulted in a net increase in 102 elderly units and the change in location of units designated to the “young disabled.” The units are being designated as they become available through attrition so that no current residents will be relocated. Disabled individuals requiring a fully compliant wheelchair accessible unit will not be affected by the designation.

Table 4-8 below summarizes the Plan as HUD approved it in December 2001. Table 4-9 provides more detail about those housing developments included in the Allocation Plan.

TABLE 4-8: SUMMARY OF LHA SENIOR DESIGNATION PLAN

Current Use (Before the Designation Plan)		
	Number of Units	Preference
	418	Elderly (>62)
		Disabled (<62)
Designation Plan		
Elderly Set Aside Units	Number of Units	Preference
75%	310	Elderly (>62)
		Near Elderly (>50)
Mixed Units	Number of Units	Preference
25%	106	Elderly (>62)
		Disabled (<62)
		Young Disabled (<50)
Wheelchair Units	Number of Units	Preference
	31	Disabled (Any Age)

Source: LHA Senior Designation Plan (2001)

TABLE 4-9: TITLE

Development Name	Total Units	# Designated Units (75%)	# Disabled units (25%)
Faulkner Street	27	20	7
Father Norton Manor	112	84	28
Archembault Towers	189	141	48
Francis Gatehouse Mill	90	66	24
Total	418)	311	107

Source: LHA

The loss of the designated units was analyzed in the 2001 AI to determine its impact on limiting the housing choices and supply of units for disabled individuals 50 years of age and younger. A recommendation was included in the 2001 AI to monitor the LHA Senior Designation Plan to ensure that the preferences would be adjusted if the disabled were occupying less than 75% of the units at any of the designated developments.

Currently the total number of near-elderly disabled, and young-disabled tenants occupy approximately 27% of the 418 units in the designated developments. While individually, some developments have

not reached the 25%-75% distribution of units, overall, LHA has achieved the target 25% set out in the original Plan. The ratio of elderly to disabled residents has remained relatively constant over the last 3 years. The Lowell Housing Authority has successfully implemented the Designation Plan.

TABLE 4-10: SENIOR DESIGNATION PLAN UNIT UPDATE

Location	Total Units	Elderly	Young Disabled	Near Elderly Disabled	Percent Elderly	Percent Disabled
Archembault Towers	189	101	25	53	53%	41%
Father Norton	112	85	3	18	76%	19%
Francis Gatehouse	90	78	2	8	87%	11%
Lawrence/Faulkner Street	27	24	0	3	89%	11%
Total	418	288	30	82	69%	27%

Source: LHA, April 2005

Expiring Use Projects

Within the next five years, there are 8 developments with a total of 360 units of Federal and State subsidized multi-family apartments at risk of losing their affordability status. These projects were financed with either project-based section 8 contracts that need to be renewed, or have use restrictions that would allow owners to convert the development to market-rate housing at the 20th year of their 40 year term. These housing developments are listed in Table 4-11.

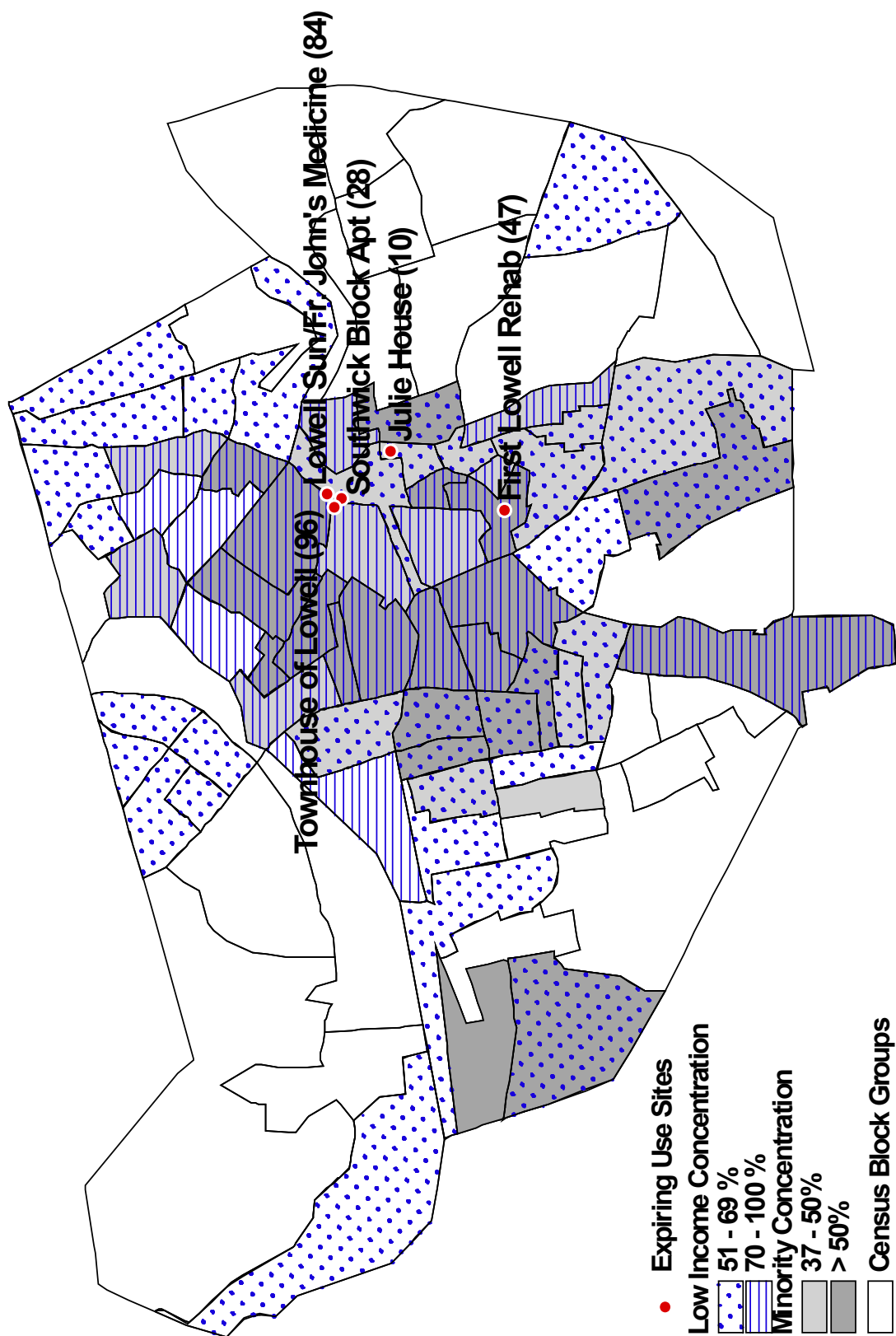
TABLE 4-11: EXPIRING USE TABLE

Property Name	Units at Risk on or before 2010	Affordability Expires	Subsidizing Agency
Choices in Living	25	2008	HUD
First Lowell Rehab	47	2005	
Julie House	10	2009	HUD
Lowell Sun/Fr. John's Medicine	84	2007	HUD
Mazur Park Apartments	50	2008	
Sect 8 Mod Rehab	20	2005	DHCD
Southwick Block Apts.	28	2006	HUD
Townhouse of Lowell	96	2005	HUD
Total Units	360		

Source: Department of Housing and Community Development, March 2005

Map 4-3 illustrates the location of these developments in Lowell. These sites are located in block groups with high concentrations of low-income and minority households. If allowed to expire, the loss of these units may contribute to the deconcentration of affordable housing in these neighborhoods. While the loss of these units would be consistent with the proposed actions in Recommendation #2 of the 2005 AI, the shortage of affordable housing to the region, may be more detrimental than the benefits of deconcentrating poverty in these block groups.

MAP 4-3: LOCATION OF EXPIRING USE SITES RELATIVE TO AREAS OF MINORITY CONCENTRATION



Source: Department of Housing and Community Development, March 2005

Note: Three of the projects at risk of losing affordability status have multiple locations and are not depicted on the map.

4.1.5 Property Tax Policies

The City of Lowell has only two tax rates, one for residential property (including income properties) and one for commercial property. For FY2005 the residential rate is \$10.18 per thousand, the commercial rate is \$20.20 per thousand. The residential rate is applied to all properties citywide, regardless of location, value, number of units, owner-occupancy, etc.

Valuations are set separately for land and for the buildings/structures on the property then combined to set annual tax bills. Land values are set based on 36 distinct areas of the city, which are defined by consistent lot sizes and market values of property.

Both the market approach and the income approach are used to determine value. The market approach is used more often for 1-3 family residences because more comparables are available for these types of properties, while the income approach is used more often for larger complexes because they are most often income-generators for the owners and have fewer reliable comparables. Both approaches are used in some cases to establish parity between the two methods and to ensure that all properties are being assessed equally and fairly.

The City of Lowell Assessor's Office also administers real estate tax exemption and abatement programs as allowed under Massachusetts law. Generally, abatements are available through an appeal process to those who believe the properties are overvalued. Exemptions to real estate taxes are governed under strict Massachusetts' law, and are offered to persons fulfilling the requirements of any one, or more, of the following six (6) categories:

- Blind
- Veteran with a service connected disability
- Surviving Spouse
- Minor Child of Deceased Parent
- Senior Citizen, (70 years or older)
- Hardship¹

4.1.6 Planning and Zoning Boards

The lack of diversity among members of the City's land use boards was identified as an impediment in the 2001 AI.

The Zoning Board of Appeals (ZBA) is made up of five members and two alternate members, who are appointed by the City Manager and confirmed by the City Council. Their terms of service are two or four years at the City Manager's discretion at the time of appointment. The current ZBA includes four male members, one female member, and two male alternates. One member is of Cambodian descent and the Chairman is Armenian.

The Planning Board is made up of five members who are appointed to five-year terms by the City Manager and confirmed by the City Council. The current Planning Board includes five men, all of European ancestry.

The Conservation Commission membership includes six men and one woman. All are white.

¹ "Hardship" is fairly rigidly defined by statute and interpretations offered by Massachusetts Department of Revenue. Current interpretations of the legal definition of "hardship" as a basis for tax exemption involve meeting 3 threshold criteria. "so aged (1), so informed (2), or so poverty stricken (3)...." Most current legal opinions, including those offered by Legal Department of City & Town Property Tax Bureau, suggest that persons under 60 years of age, no matter how infirm or poverty stricken, cannot meet the legal requirements for a hardship exemption.

There appears to have been little effort to diversify the membership of these two boards, since the 2001 AI, and as a result, the impediment will remain in effect. Chapter VI will discuss this impediment in more detail.

4.1.7 Building Codes

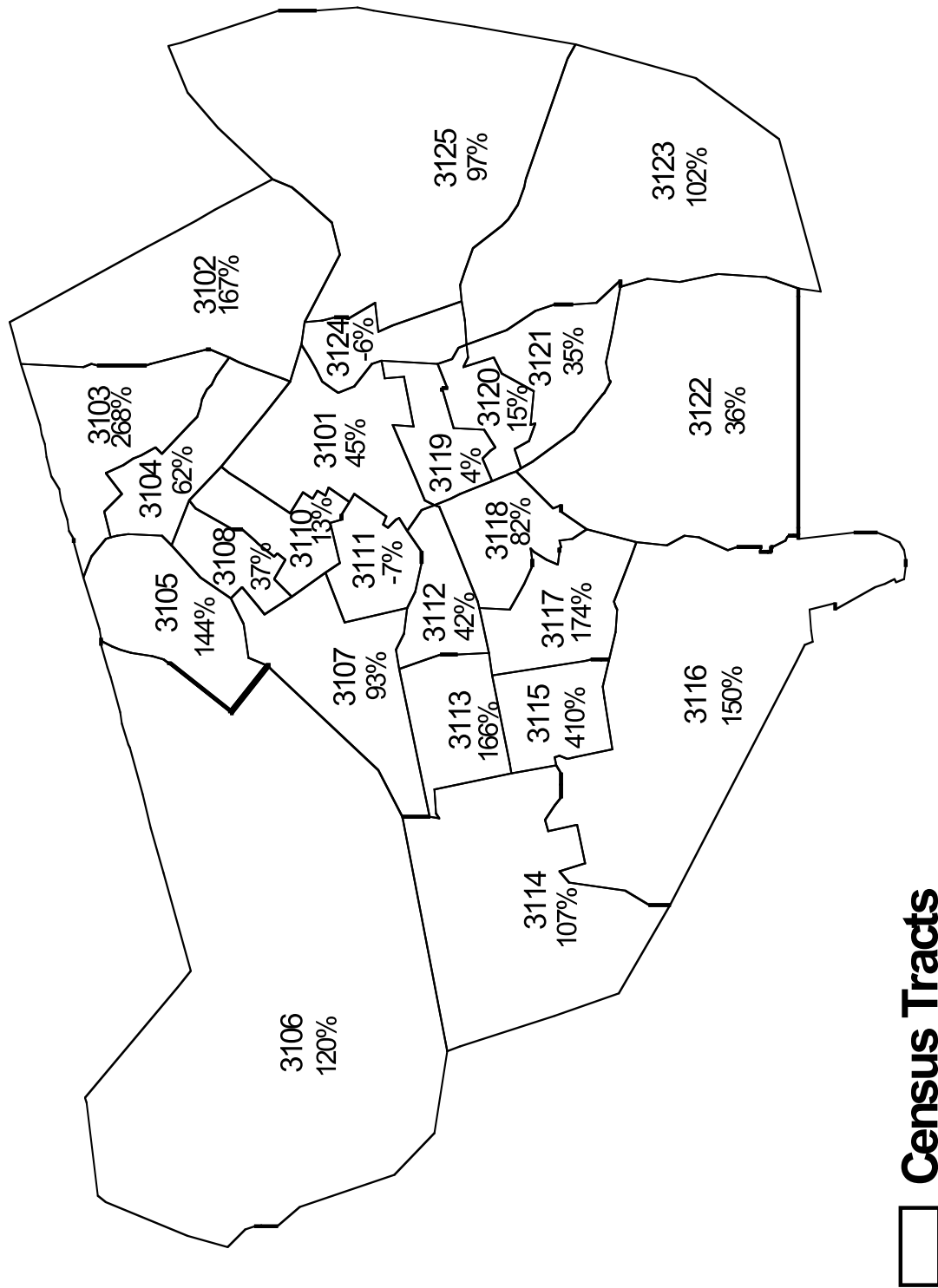
The Lowell Inspectional Services Department has adopted the Architectural Accessibility Barrier Standard as required by the State of Massachusetts. These guidelines are stricter than those required by the Americans with Disabilities Act requirements. The regulations apply to new construction and any rehabilitation in excess of 30%, or \$100,000 of the assessed value of the property.

4.1.8 Concentration of Subsidized Housing in Central Lowell

The 2001 AI identified the concentration of subsidized housing in the census tracts located in Central Lowell as an impediment that limits the housing options of low-income minorities to areas of high concentrations of low-income and minority populations.

Minorities live in all neighborhoods in the City but are primarily concentrated in the lower per capita income census tracts in Central Lowell and the Downtown. 60% of the total, or 1200, public housing units are located in these Census Tracts. The 2000 Census shows that minority concentrations in all areas of Lowell have increased from 1990 to 2000, with the largest growth in the Centralville, Lower Highlands, and Highlands neighborhoods. Map 4-4 depicts where this growth occurred in Lowell during these ten years.

MAP 4-4: PERCENT CHANGE IN MINORITY CONCENTRATION BY CENSUS TRACT (1990-2000)



Source: U.S. Census, 2000

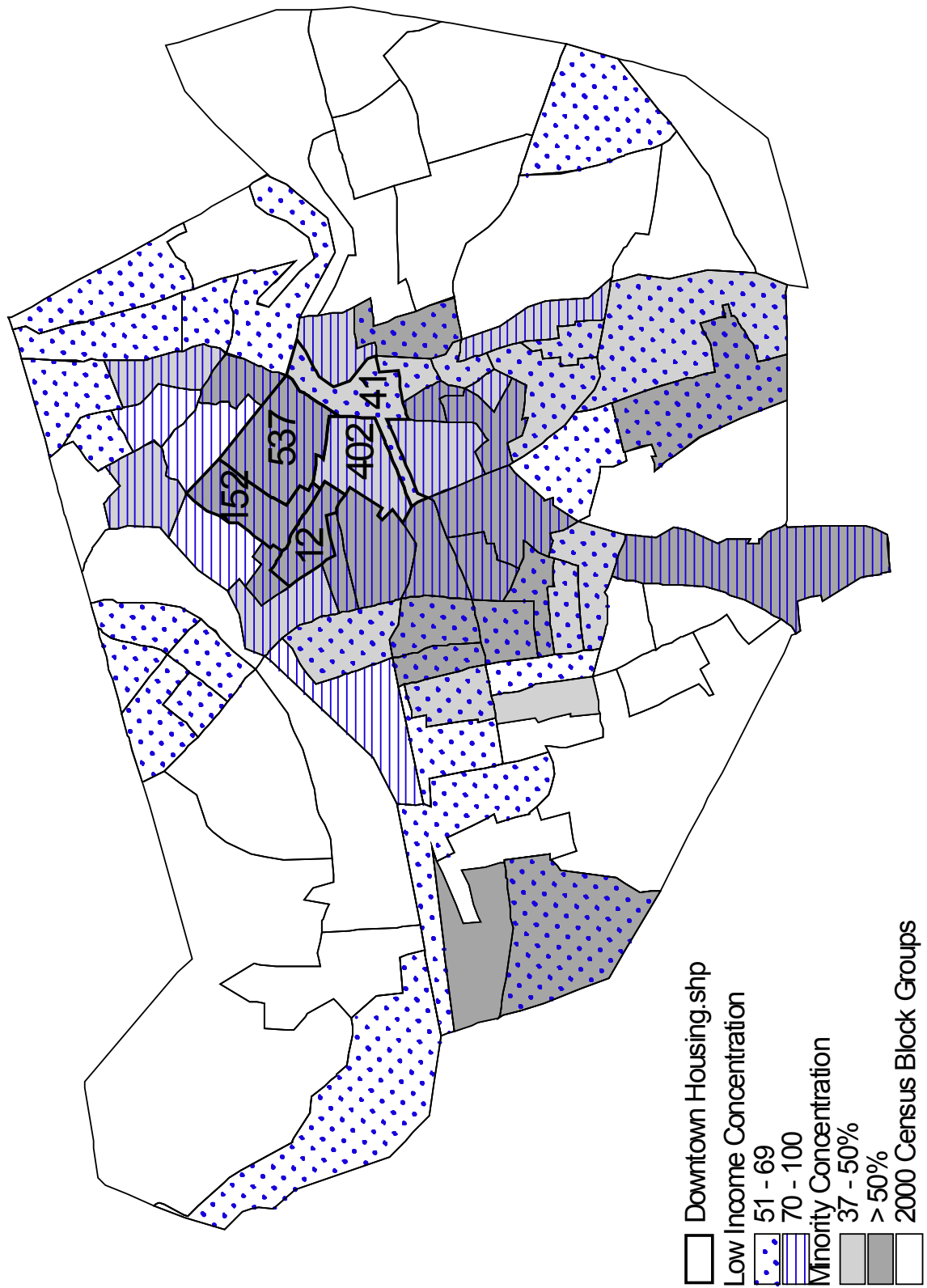
The City undertook the development of a comprehensive master plan that addressed this impediment by presenting findings and recommendations that will assist in reducing the concentration of subsidized housing in Lowell. The Master Plan details a 20-year housing strategy based on feedback received through community-based planning efforts, such as focus groups and surveys, and an extensive data collection and research phase. Included in the Master plan are several recommendations concerning the decentralization of low-income housing in the central block groups in Lowell in order to discourage the continuation of clusters of poverty including:

- Housing for very low and low-income families should be distributed in lower density, smaller structures.
- Adopt an inclusionary zoning provision that requires large-scale projects to commit a small percentage of units to permanent affordable housing.
- Lowell and its neighboring towns should commit to expanding the supply of affordable housing at a range of income levels to stabilize the regional housing market.
- Support efforts to promote increased market-rate housing development in areas where the concentration of subsidized housing causes an imbalance or concentration of poverty.

The City of Lowell's new Zoning Ordinance, adopted in December 2004, strongly encourages market rate residential development in the Downtown area. An increased emphasis on mixed income housing Downtown will help to increase the overall housing stock in Lowell. In addition, the Planned Residential Development regulations allow for greater density when creating public or common open space.

Since 2000, the City of Lowell has made a concerted effort to deconcentrate poverty clusters and minority concentrations in the lower per capita income census tracts in Central Lowell. With an updated Master Plan, Lowell was able to develop public policy to guide private sector building activity. Since 2000 in the Downtown census tracts, 396 new units have been built and occupied, 358 have received building permits and are under construction, and 299 more are currently working through the permitting process for a total of 1053. In 2000, according to the 2000 U.S. Census, there were 3260 total units in the same block group. When the additional units are completed, there will be approximately a 32% percent increase in the number of housing units in this area and selling at unsubsidized rates. The addition of these predominantly market rate units contribute significantly to the deconcentration of the existing conditions of poverty and minority concentrations. Map 4-5 illustrates where these units are located in relation to areas of minority and low- and moderate-income concentrations.

MAP 4-5: DOWNTOWN HOUSING DEVELOPMENT 2000-2005



Source: City of Lowell, DPD

The robust housing and condo market also play a major role in the successful development of market rate housing in downtown Lowell. If the economy slows down, concerns about previous disinvestments must be addressed in order to ensure the success of the last five years. The Jackson Appleton Middlesex Urban Revitalization Plan and the Acre Revitalization Plan are two downtown neighborhood revitalization strategies, which include substantial market rate housing development. These plans, discussed previously in this chapter, offer economic incentives and job creation components. The establishment of a solid middle class in these areas with a safe and active downtown will hopefully stabilize this area for the long term.

While the City has made substantial progress toward deconcentrating subsidized housing Downtown, a recommendation is included in the 2005 AI suggesting that the City direct its efforts toward developing low-income housing in census tracts with lower minority concentrations located primarily along the City's borders and in Lowell suburbs which tend to have significantly lower minority concentrations than any area within the City.

As the Table 4-12 illustrates, the concentration of minorities in the City of Lowell is significantly greater than that of other communities in the Lowell, MA-NH PMSA and higher than the minority concentration in the entire region.

TABLE 4-12: LOWELL, MA-NH PMSA – MINORITY CONCENTRATION

Municipality	Total Population	Non-Hispanic Population		Hispanic Population	% Minority
		White	Non-White		
Billerica	38,981	36,487	1,894	600	6%
Chelmsford	33,858	31,291	2,149	418	8%
Dracut	28,562	26,864	1,255	443	6%
Dunstable	2,829	2,746	68	15	3%
Groton	9,547	9,198	240	109	4%
Lowell	105,167	65,760	24,673	14,734	37%
Pelham, NH	10,914	10,544	265	105	3%
Pepperell	11,142	10,763	265	114	3%
Tewksbury	28,851	27,608	891	352	4%
Tyngsborough	11,081	10,499	459	123	5%
Westford	20,754	19,267	1,258	229	7%
Total	301,686	251,027	33,417	17,242	17%

Source: US Census, 2000

Table 4-13 further emphasizes that the concentration of minorities in Lowell is higher than surrounding communities. Even the Belvidere neighborhood (census tract 312502), with the City's smallest percentage of minorities (10%) has a higher concentration of minorities than any other community in the Lowell MA-NH PMSA.

TABLE 4-13: LOWELL CENSUS TRACTS – MINORITY CONCENTRATION

Tract	Neighborhood	Minority%
310100	Downtown	52%
310200	Centralville	20%
310300	Centralville	30%
310400	Centralville	44%
310500	Pawtucketville	23%
310601	Pawtucketville	23%
310602	Pawtucketville	17%
310700	Acre	43%
310800	Acre	43%
311000	Acre	69%
311100	Acre	81%
311200	Lower Highlands	76%
311300	Highlands	46%
311400	Highlands	49%
311500	Highlands	34%
311600	Highlands	27%
311700	Lower Highlands	50%
311800	Lower Highlands	68%
311900	Back Central	46%
312000	Back Central	48%
312100	Ayers City	45%
312200	Ayers City	38%
312300	South Lowell	15%
312400	Lower Belvidere	49%
312501	Belvidere	17%
312502	Belvidere	10%

Source: US Census, 2000

The Master Plan outlines recommendations to address the low concentration of minorities in relevant Lowell census tracts and surrounding suburbs, including the adoption of an inclusionary zoning provision that requires large-scale projects to commit a small percentage of units to permanent affordable housing. Applying this provision to areas with low-income and minority concentrations will ensure that the progress made toward the 2001 Impediment succeeds. Further discussion of this may be found under Recommendation #2 in Chapter VI.

4.2 Private Sector

4.2.1 HMDA Data Analysis

To determine if there are “banking and insurance policies pertaining to the financing, sale, purchase, rehabilitation, and rental of housing that may affect the achievement of fair housing choice within the jurisdiction,”² an analysis of 2003 Home Mortgage Disclosure Act (HMDA) data was performed for the City of Lowell. The Home Mortgage Disclosure Act (HMDA) of the Federal government requires lending institutions to make annual public disclosures of their home mortgage and home improvement lending activity. These public disclosures are summarized by the Federal Financial Institutions Examination Council (FFIEC) and made available to the public on the FFIEC website, <http://www.ffiec.gov>. HMDA data describes lending practices at the regional Metropolitan Statistical Area (MSA) level and at the local census tract level.

In order to determine if there is disinvestment in any particular geographic area, a standard is needed to compare the number of loan originations by census tract. Census tract data for total population, total housing units, and total single-family (1 to 4) units were examined but found to be inadequate for the following reasons:

- Total Population:

A census tract may have a large population that is living in structures with more than 5 units. HMDA loan data is only for structures with 1 to 4 units. Using loans per total population could easily result in a low single-family loans/population ratio that is due to a large supply of multi-family housing and not disinvestment by lending institutions.

- Total Housing Units:

Using total housing units as a standard to compare HMDA loan activity by census tract will also provide misleading data. The total single-family housing units may be low compared to multi-family units and a low ratio of loan origination to total housing units in a census tract is not meaningful.

- Total Single Family units

Using total single-family units can also be a misleading standard. Unless a structure is made up of condominium units, there will be only one mortgage associated with a structure that has two or more units.

To create a standard that takes building types into account, the following formula was used to create a new field of comparison: Estimated Structures available for single-family (1-4 unit) mortgages.

$$\text{Estimated Mortgages Available} = (\text{Single Family} + \text{Townhouses}) + (\text{Two unit}/2) + (\text{Three or Four units}/3)$$

The estimated mortgages possible for communities in the Lowell, MA-NH PMSA are listed in the Table 4-14. Of the total possible mortgages available in the region, approximately 25% are available in Lowell.

2 HUD FHEO Fair Housing Guide; P. 4-7

TABLE 4-14: LOWELL MA-NH, PMSA HOUSING DEMOGRAPHICS

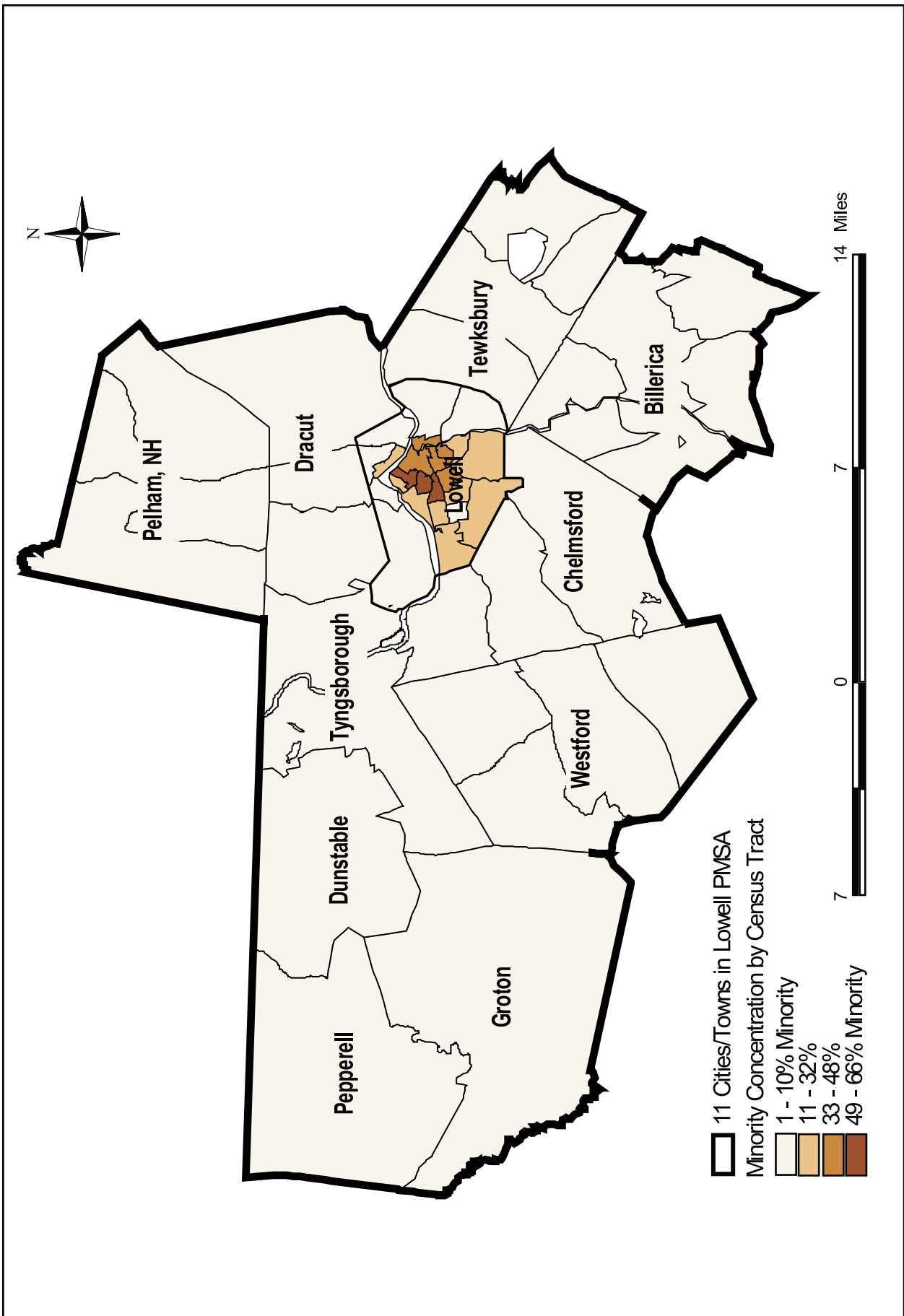
Communities	Total Population	Total Housing Units	Single Family, detached	Single Family, attached	Two Family	Three or Four Family	Five or More Family	Total Units in Structures (with 1-4 Units)	Estimated Mortgages Available for Single Families
Billerica	38981	13071	10520	244	548	232	1417	11544	11115
Chelmsford	33858	13025	9074	1144	425	285	1831	10928	10526
Dracut	28562	10643	6814	620	725	370	2114	8529	7920
Dunstable	2829	944	906	18	14	0	0	938	931
Groton	9547	3393	2843	85	262	66	125	3256	3081
Lowell	105167	39468	12215	1919	7452	5063	12735	26649	19548
Pelham, NH	10914	3740	3214	85	235	72	114	3606	3441
Pepperell	11142	3917	2790	149	288	172	342	3399	3140
Tewksbury	28851	10171	7780	998	232	237	771	9247	8973
Tyngsborough	11081	3806	2913	224	101	104	413	3342	3222
Westford	20754	6941	6161	272	184	121	181	6738	6565
TOTALS	301686	109119	65230	5758	10466	6722	20043	88176	78462
Lowell % of Total	35%	36%	19%	33%	71%	75%	64%	30%	25%

Source: US Census, 2000

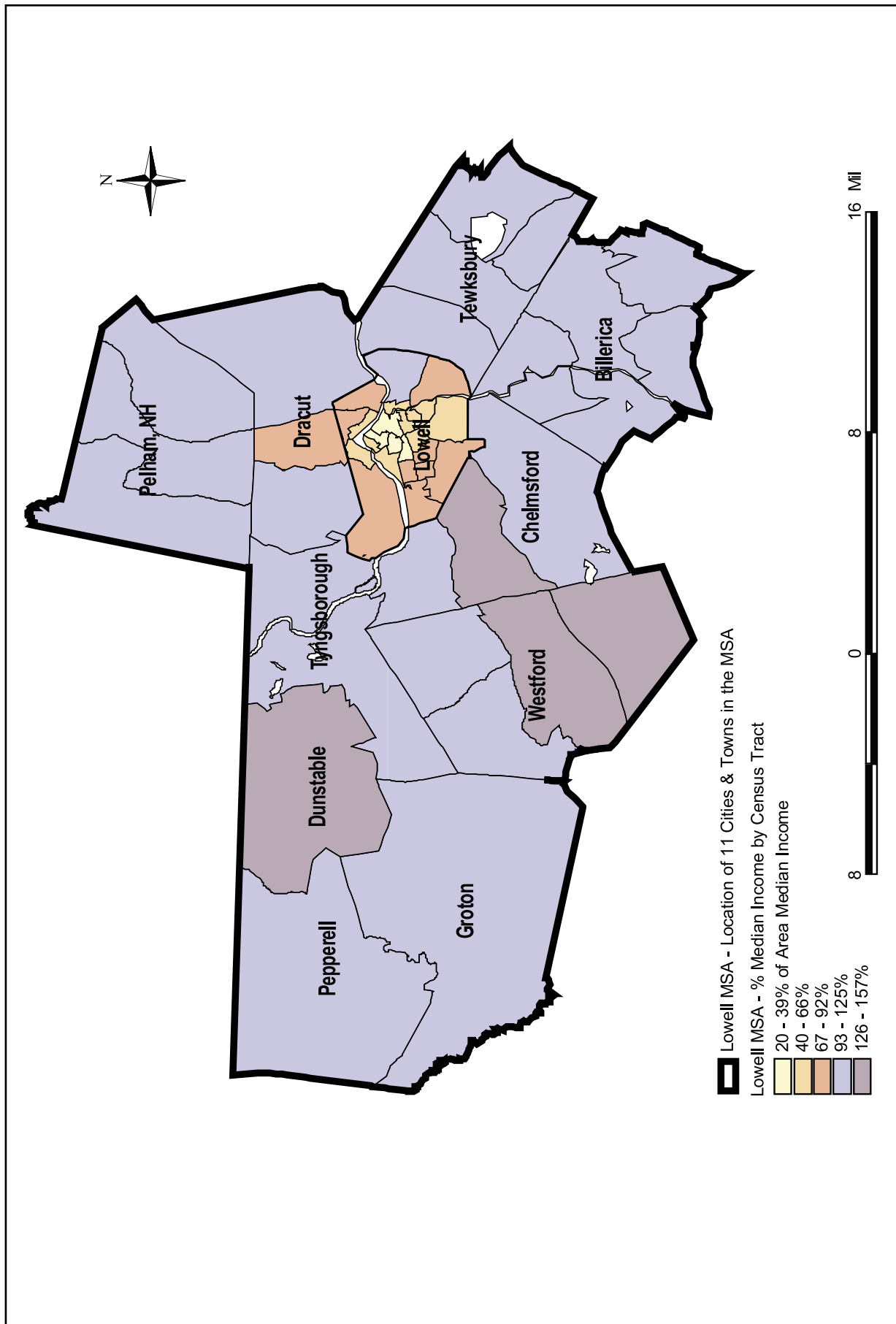
Map 4-6 shows the minority concentration for the communities in the Lowell, MA-NH PMSA. According to the 2000 census data, Lowell is the only community with census tracts that have a minority population greater than 10%.

Map 4-7 shows the percent median income for communities in Greater Lowell. The map illustrates that 30 census tracts in the PMSA, approximately one half of the total tracts, have a median income that is less than 100% of the Area Median Income. Twenty-three of the 30 tracts are located in Lowell with 12 Lowell tracts. This disparity in income also affects the ability of Lowell residents to afford home mortgages.

MAP 4-6: MINORITY CONCENTRATION BY CENSUS TRACT FOR LOWELL MSA



MAP 4-7: PERCENT MEDIAN INCOME BY MSA CENSUS TRACT



Regional Analysis:

A total of 479 banking and lending institutions had home mortgage and home improvement loan activity in the Lowell MSA in 2003. Of these, 182 have branch offices in the Lowell MSA. The aggregate data of all 479 institutions is shown in Table 4-15. Data in this table will be discussed in more detail below.

TABLE 4-15: LOWELL, MA-NH PMSA: AGGREGATE LOAN ACTIVITY FOR PERIOD 2003

	Loans on 1-4 Family Dwellings							
	Home Purchase Loans						Home Improvement	
	FHA, FMHA, VA		Conventional		FHA, FMHA, VA and Conventional			
	%Total	Count	%Total	Count	%Total	Count	%Total	Count
Loan Originated Approved, Not Accepted Application Denied Application Withdrawn File Closed for Incompleteness Subtotals for MSA 2003	MSA (Excluding Lowell) Totals							
	82%	151	78%	3352	78%	3503	41%	450
	3%	6	7%	301	7%	307	16%	179
	8%	15	7%	302	7%	317	30%	329
	6%	11	7%	312	7%	323	11%	117
	1%	1	1%	55	1%	56	1%	15
	100%	184	100%	4322	100%	4506	100%	1090
Loan Originated Approved, Not Accepted Application Denied Application Withdrawn File Closed for Incompleteness Subtotals for Lowell 2003	Lowell Totals							
	75%	252	70%	1334	71%	1586	35%	179
	5%	16	8%	149	7%	165	10%	50
	11%	36	14%	275	14%	311	40%	202
	7%	24	6%	119	6%	143	14%	72
	2%	6	1%	21	1%	27	1%	6
	100%	334	100%	1898	100%	2232	100%	509
Total	518		6220		6738		1599	

Source: FFIEC (www.ffiec.gov), 2005

Comparison of MSA/Lowell FHA & VA Regional Loan Activity:

In 2003, Lowell had 252 or 75% of the total FHA, FMHA and VA loans made in the region. These loans target people of lower income. 60% of the MSA's population below 80% of Area Median Income (AMI), and 30% of the single-family (1-4) housing stock capable of supporting a mortgage is in Lowell. Based on these statistics, 60% of the aggregate region's FHA & VA loan activity for Lowell is comparable to the proportion of population surveyed.

Comparison of MSA/Lowell FHA & VA Regional Loan Originations and Denial Rates

The MSA origination rate is 82% and the Lowell origination rate is 75%. The denial rate is 8% for the MSA and 11% for Lowell. The differences do not represent a significant disparity. The difference may be explained by the relative affluence of other communities in the region. Loan activity in this category shows that Lowell loans appear to be subject to the same standards as the region.

Comparison of MSA/Lowell Conventional Loan Activity

Lowell has 30% of the MSA total conventional loan activity. With Lowell having 25% of the single family (1-4 units) structures capable of supporting a mortgage, it appears that there is no sign of possible disinvestment by MSA lending institutions on a citywide basis. The loan activity by census tract will be analyzed later in this discussion to determine if there are patterns of disinvestments for specific Lowell census tracts.

Comparison of MSA/Lowell Conventional Loan Originations and Denial Rates

Lowell's origination rate for conventional loans is 70%, 8% lower than the MSA origination rate. The loan denial rate for Lowell is 14%, 7% higher than the MSA denial rate. Seven percentage points are significant but may be explained by the relative affluence of the surrounding communities. The majority of the MSA population earns at least 93% of the area median income compared to Lowell where 60% of the MSA's population is below 80% of the Area Median Income (AMI). Close inspection of the lending practices for Lowell census tracts will analyze these differences more thoroughly.

Local Loan Analysis by Census Tract

The analysis of lending practices by census tract is based on total loan originations and denials for FHA, VA and Conventional loans. This is done because Lowell has 80% of the MSA Low-to-Moderate Income population. Additionally, a disproportionate number (18% vs. 4.5% for the MSA) of the FHA and VA loans that target low-income people were originated in Lowell and need to be counted in the overall origination rate to avoid underestimating the total loan activity within the City.

As shown in Table 4-15, the average loan origination rate for Lowell census tracts is 71% compared to 78% for all 62 MSA census tracts. The loan denial rate for Lowell is 14% compared to 7% for the MSA region. These statistics can be misleading because they do not take into account the type of housing in a census tract and the number of structures that are capable of generating a single-family loan. To determine if there is a pattern of geographic disinvestment by census tract, the ratio of total loan applications to single-family (1 to 4 units) structures is used as a standard. Lowell, with approximately 6.6% rate has a greater number of loans per 100 units than the MSA (5.5%).

Table 4-16 lists the relevant HMDA and demographic data for each Lowell census tract to analyze whether there are any significant disparities within the individual census tracts.

TABLE 4-16: LOWELL, HMDA DATA BY CENSUS TRACTS

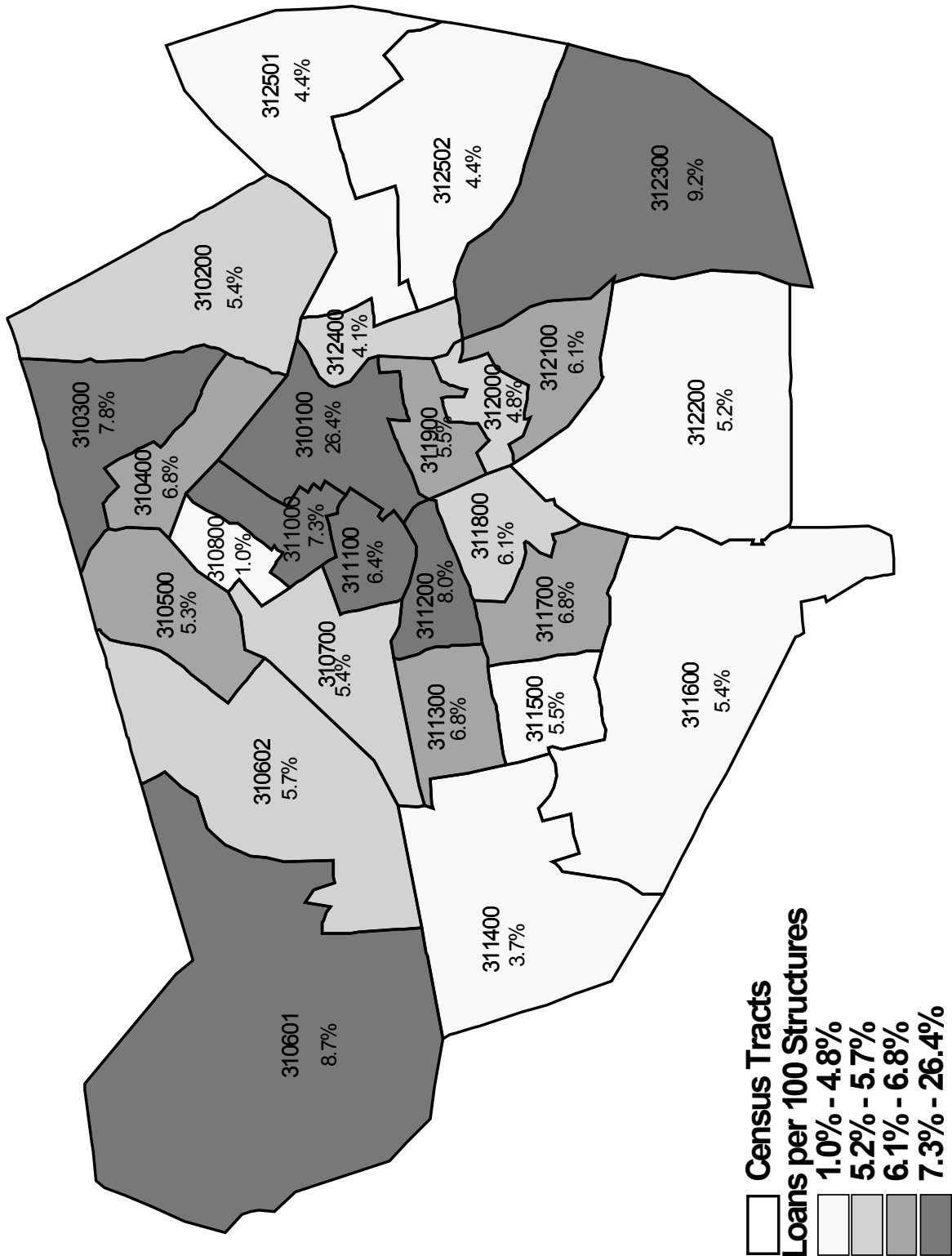
Census Tract	Neighborhood	Total Housing Units	Total 1-4 Units	%1-4 Units	Total 5 or More Units	Possible Mortgages	Total Loan Applications	Total Loans Orig'd	Loan Orig. Rate	Denial Rate	Loans per 100 Structures	% Minority	% AMI
310100	Downtown	2,025	129	6.4%	1,890	50	49	34	69.4%	12.2%	26.4%	52%	32%
310200	Centralville	2,288	1,961	85.7%	327	1,421	150	105	70.0%	10.7%	5.4%	20%	75%
310300	Centralville	2,414	1,600	66.3%	814	1,168	179	125	69.8%	17.3%	7.8%	30%	63%
310400	Centralville	1,209	935	77.3%	274	634	94	60	63.8%	18.1%	6.4%	44%	43%
310500	Pawtucketville	1,223	1,108	90.6%	115	707	95	59	62.1%	12.6%	5.3%	23%	76%
310601	Pawtucketville	1,942	1,116	57.5%	811	1,048	122	97	79.5%	9.8%	8.7%	22%	101%
310602	Pawtucketville	2,284	1,752	76.7%	525	1,373	136	100	73.5%	11.8%	5.7%	17%	79%
310700	Acre	1,579	1,033	65.4%	531	571	84	56	66.7%	20.2%	5.4%	43%	51%
310800	Acre	375	196	52.3%	179	117	4	2	50.0%	0.0%	1.0%	43%	43%
311000	Acre	1,218	177	14.5%	1,041	130	21	13	61.9%	28.6%	7.3%	69%	22%
311100	Acre	653	377	57.7%	276	237	40	24	60.0%	25.0%	6.4%	81%	41%
311200	Lower Highlands	1,129	703	62.3%	426	423	86	56	65.1%	15.1%	8.0%	73%	49%
311300	Highlands	1,375	975	70.9%	400	663	91	66	72.5%	16.5%	6.8%	46%	69%
311400	Highlands	2,500	1,022	40.9%	1,478	831	53	38	71.7%	3.8%	3.7%	46%	75%
311500	Highlands	1,085	854	78.7%	213	605	57	47	82.5%	7.0%	5.5%	34%	87%
311600	Highlands	1,903	1,727	90.8%	176	1,451	117	93	79.5%	7.7%	5.4%	27%	78%
311700	Lower Highlands	1,627	1,414	86.9%	213	1,004	140	96	68.6%	16.4%	6.8%	50%	70%
311800	Lower Highlands	1,019	831	81.6%	188	496	69	51	73.9%	18.8%	6.1%	68%	57%
311900	Back Central	1,196	524	43.8%	672	287	45	29	64.4%	31.1%	5.5%	46%	44%
312000	Back Central	1,016	921	90.6%	95	543	69	44	63.8%	17.4%	4.8%	48%	51%
312100	Ayers City	1,140	803	70.4%	329	498	76	49	64.5%	15.8%	6.1%	44%	60%
312200	Ayers City	1,861	1,420	76.3%	434	1,127	91	74	81.3%	6.6%	5.2%	38%	64%
312300	South Lowell	2,032	1,524	75.0%	508	1,282	174	140	80.5%	7.5%	9.2%	15%	77%
312400	Lower Belvidere	982	665	67.7%	317	360	50	27	54.0%	24.0%	4.1%	49%	48%
312501	Belvidere	1,721	1,529	88.8%	184	1,343	94	68	72.3%	13.8%	4.4%	17%	112%
312502	Belvidere	1,672	1,353	80.9%	319	1,182	79	60	75.9%	8.9%	4.4%	10%	108%

Source: US. Census, 2000 and FHIEC (structures (1-4 units) by census census tracts with low loan origination ra

The average loan origination rate in Lowell is 69%. Of the City's 26 Census Tracts, 12 have a lower origination rate than the city's average. 12 of the Census tracts have a higher percentage than the City's average loan denial rate of 14.5%. The average rate of loans per 100 structures for the City as a whole is 6.6%. Seventeen of Lowell's census tracts have a rate less than the City's average. As the Table above indicates, these trends typically occur in census tracts with high percentages of minorities and low- and moderate-income households. There are numerous reasons that the census tracts exhibit one or more of the signs of possible institutional disinvestment including:

1. Four of the census tracts have less than 400 single-family structures. The Lowell average for single-family structures per census tract is 1,025. When a census tract has a limited number of single-family structures any factor such as demolition, abandoned buildings, absentee landlords or blighted buildings can have a disproportionate affect on the number of building sales. Census tract 3108, for example, has a rate of loans per 100 structures of 1% but it has the lowest number of single-family structures and only 117 possible mortgages.
2. Several census tracts have a higher percentage of multi-family dwellings (5+ units) than other census tracts, reducing the potential number of structures that can have a mortgage. Census tract 3114 is comprised of 59% multi-family units, which may explain the low 3.7 loans per 100 units rate.
3. Major neighborhood revitalization strategies under way in census tract 3119 and JAM plan area may be discouraging investment until clear progress is made.
4. The resident homeowners are low-income and cannot afford to trade up to other Lowell neighborhoods.
5. The lending community has avoided investing in these areas.
6. Some homeowners have moved but kept their former single-family (1 to 4 units) buildings as income property.
7. Very-low & low-income residents do not have the financial capacity to become homeowners in the current high-cost residential market.
8. Low supply of homes for sale in more desirable neighborhoods where residents tend to stay in homes longer than the City average due to a stable housing market.
9. The concentrations of subsidized housing in certain block groups affect the overall loan data for the census tract.

MAP 4-8: LOANS PER 100/STRUCTURES BY CENSUS TRACT

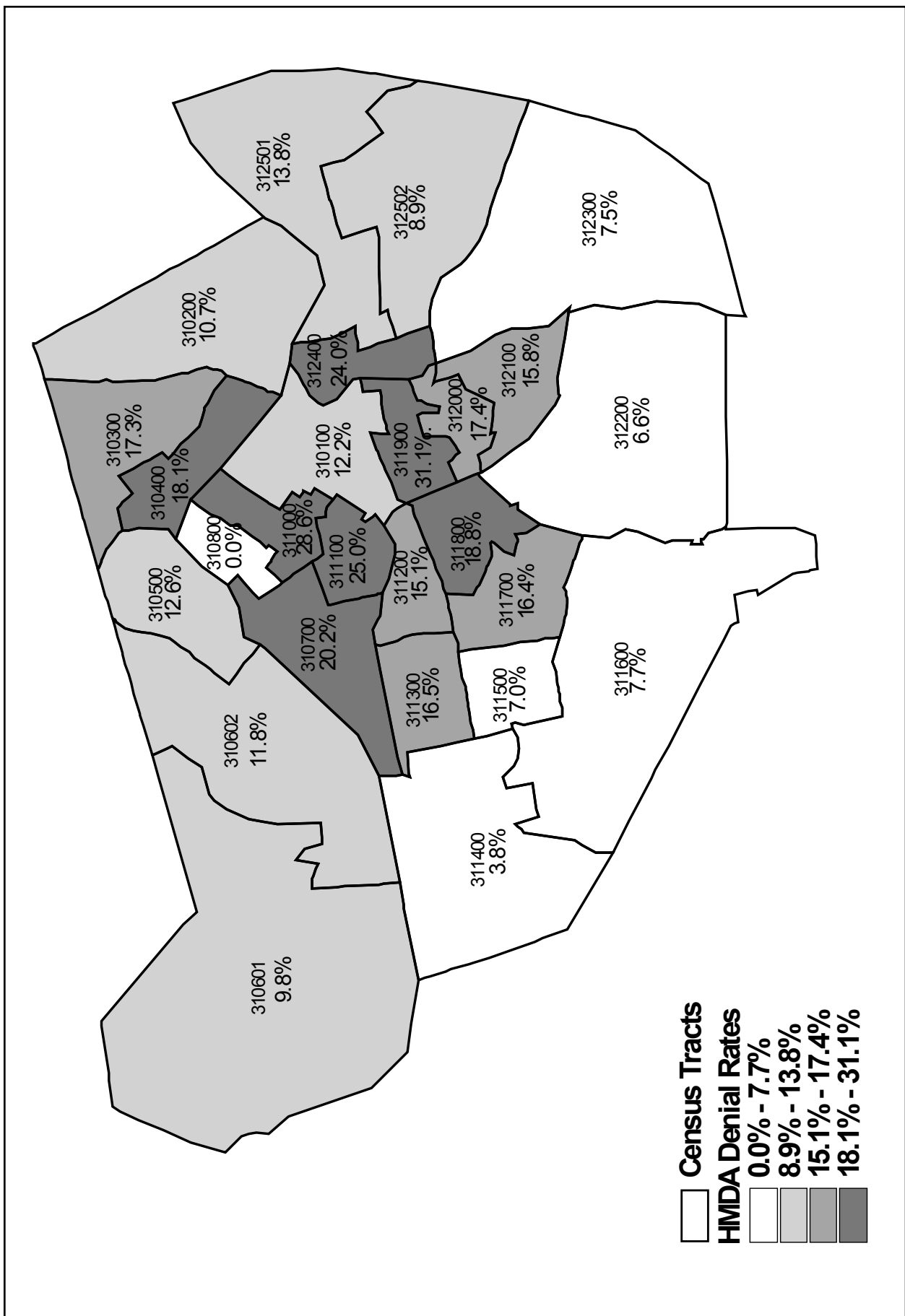


Source: US Census, 2000

80



MAP 4-10: LOWELL LOAN DENIAL RATES BY CENSUS TRACT



Source: US Census, 2000

As Map 4-8 illustrates, areas with the lowest rates of loans per 100 structures are found in a variety of census tracts with no direct correlation to high rates of low-income populations. In addition to the reasons noted previously, the following table identifies possible explanations for the census tracts with the lowest rates of loans per 100 structures.

TABLE 4-17: POSSIBLE EXPLANATIONS FOR LOW RATES OF LOANS PER 100 STRUCTURES

Census Tract	Loans/100 Structures	Possible Explanation
310800	1.02%	Census tract with the lowest number of units High population of students
311400	3.70%	Limited number of homes on the market Large proportion of rental housing and condominium complexes
312400*	4.10%	Large Portuguese and Brazilian population which uses non-traditional financing
312501	4.40%	High income area
312502	4.40%	High income area
312000*	4.80%	Large number of subsidized units Large Portuguese and Brazilian population which uses non-traditional financing
312200	5.20%	Limited number of homes on the market Large proportion of rental housing and condominium complexes
310500	5.32%	Limited number of homes on the market High income area
310200	5.35%	Limited number of homes on the market High income area
311500	5.40%	High income area
310700	5.42%	High population of students
311600	5.50%	Limited number of homes on the market High income area
311900*	5.50%	Large Portuguese and Brazilian population which uses non-traditional financing Location of JAM Plan development
310602	5.71%	High income area High population of students

*** These communities in Lowell tend to use non-traditional banking and loan sources. Mortgages in these census tracts may not be reported in HMDA data sources.**

HMDA Data Analysis for Lowell MSA Region by Race:

As Table 4-18 illustrates, approximately 77% of the region's minority population lives in Lowell.

TABLE 4-18: LOWELL, MA-NH PMSA MINORITY POPULATION

Location	Total	White		Minority	
		Total	%	Total	%
MSA	301,686	251,027	83%	50,659	17%
Lowell	105,167	65,760	63%	39,407	37%
Lowell % of Total	35%	26%		77%	

Source: U.S. Census, 2000

HMDA data for the 2003 period is examined for potential discriminatory lending practices based on race. The following HMDA Lowell MSA aggregate tables were extracted from the FFIEC website:

- Aggregate Table 4-1: Disposition Of Applications For FHA, FMHA, and VA Home-Purchase Loans, 1 To 4 Family Homes, By Race, Gender And Income Of Applicant
- Aggregate Table 4-2: Disposition Of Applications For Conventional Home-Purchase Loans 1 To 4 Family Homes, By Race, Gender And Income Of Applicant
- Aggregate Table 8-1: Reasons For Denial Of Applications For FHA, FMHA, and VA Home-Purchase Loans 1 To 4 Family Homes, By Race, Gender And Income Of Applicant
- Aggregate Table 8-2: Reasons For Denial Of Applications For Conventional Home-Purchase Loans, 1 To 4 Family Homes, By Race, Gender And Income Of Applicant

FFIEC HMDA aggregate racial data from tables 4-1 and 4-2, racial data for conventional loans are summarized as a single loan category in this report in Table 4-19. The data in aggregate tables 8-1 and 8-2 are also summarized in a single loan category in Table 4-20.

Table 4-19 represents all of the Lowell, PMSA loan activity for FHA, FMHA, VA and Conventional home purchase loans. It shows that minority loan applications are 19% of the total 6,749 loan applications made in the Lowell MSA during 2003. This is one percentage point higher than the MSA minority percentage of 18%. Blacks had origination rates of 63%, which is 15 points lower than whites and 12 points lower than the average. Blacks make up a relative low percentage of the Lowell population at 3.5% and account for 3% of the loan activity for the MSA in 2003. It is difficult to make a conclusion that this population has experienced discrimination without analyzing additional years of HMDA data. The denial rate for all minorities is 9% as compared to a 7% white denial rate. Blacks and Hispanics had a denial rate of 19% and 15% respectively. The loan origination rate for all minorities is 72% as compared to an origination rate of 78% for white applicants. These statistics are a good indicator that at the regional level, minorities as a group, are not experiencing discrimination in home purchasing.

TABLE 4-19: LOWELL MSA HOME PURCHASE DATA BY RACE FOR 2003

Race	Total Applications Received	Loans Originated	Approved but Not Accepted	Denied	Withdrawn	Closed as Incomplete				
American Indian/Alaskan Native	23	15	65%	1	4	17%	3	13%	0	0%
Asian/Pacific Islander	579	414	72%	45	68	12%	33	6%	9	2%
Black	209	132	63%	14	40	19%	19	9%	4	2%
Hispanic	235	167	71%	11	36	15%	16	7%	5	2%
White	4562	3569	78%	314	374	8%	254	6%	51	1%
Other	104	83	80%	5	9	9%	6	6%	1	1%
Joint (white/minority)	134	112	84%	7	8	6%	6	4%	1	1%
Race not available	903	598	66%	75	89	10%	129	14%	12	1%
Total/Average - Minorities	1284	923	72%	83	165	13%	83	6%	20	2%
Total/Average - Total Population	6749	5090	75%	472	628	9%	466	7%	83	1%

Source: FHIEC Aggregate Tables 4-1 & 4-2

Table 4-20 summarizes common explanations for loan denials. As the data demonstrates, whites and minorities experience the same reasons for denial at similar rates, indicating that discrimination is not a major factor in loan denials.

Table 4-21 illustrates home purchase loan data by race and income. This table is used to examine further whether minorities are being denied loans based on their race or ethnicity, or whether income is correlated to the lower percentages of loans, origination and denial rates. When denial rates are analyzed based on the applicant's income, there is a difference of 7.6% between white and minority denial rates between loan consumers earning between 50-79% of the area median income. In addition, the difference in the origination rates at this income level is 11.4. At 80 –99% of the MSA median, the difference is less significant at a 3.5-point difference. At 100-119% of the MSA median, minorities have a lower denial rate than whites. At 120% of the MSA median, the difference is approximately 1.5 percentage points. There do not appear to be any significant differences between white and minority applicants in lending practices among loan institutions serving the Lowell MSA.

TABLE 4-21: HOME PURCHASE LOAN DATA BY INCOME AND RACE, 2003

Income And Race	Apps. Rec'd.	Loans Originated	Apps. Approved But Not Accepted			Apps. Denied	Apps. Withdrawn		Files Closed as Incomplete		
Less Than 50% Of Msa Median											
American Indian/ Alaskan Native	3	3	100.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Asian/Pacific Islander	69	47	68.1%	3	4.3%	12	17.4%	7	10.1%	0	0.0%
Black	21	11	52.4%	2	9.5%	5	23.8%	2	9.5%	1	4.8%
Hispanic	35	25	71.4%	2	5.7%	7	20.0%	1	2.9%	0	0.0%
White	357	261	73.1%	19	5.3%	52	14.6%	24	6.7%	1	0.3%
Other	8	6	75.0%	0	0.0%	2	25.0%	0	0.0%	0	0.0%
Joint (White/Minority)	6	5	83.3%	1	16.7%	0	0.0%	0	0.0%	0	0.0%
Race Not Available	43	28	65.1%	1	2.3%	5	11.6%	6	14.0%	0	0.0%
Total Minorities	142	97	68.3%	8	5.6%	26	18.3%	10	7.0%	1	0.7%
50-79% Of Msa Median											
American Indian/ Alaskan Native	7	3	42.9%	0	0.0%	4	57.1%	0	0.0%	0	0.0%
Asian/Pacific Islander	183	125	68.3%	23	12.6%	25	13.7%	9	4.9%	1	0.5%
Black	76	46	60.5%	5	6.6%	15	19.7%	9	11.8%	1	1.3%
Hispanic	90	63	70.0%	5	5.6%	15	16.7%	4	4.4%	3	3.3%
White	1179	928	78.7%	69	5.9%	104	8.8%	65	5.5%	13	1.1%
Other	20	13	65.0%	2	10.0%	4	20.0%	0	0.0%	1	5.0%
Joint (White/Minority)	21	17	81.0%	1	4.8%	2	9.5%	1	4.8%	0	0.0%
Race Not Available	215	135	62.8%	21	9.8%	24	11.2%	30	14.0%	5	2.3%
Total Minorities	397	267	67.3%	36	9.1%	65	16.4%	23	5.8%	6	1.5%
80-99% Of Msa Median											
American Indian/ Alaskan Native	2	1	50.0%	0	0.0%	0	0.0%	1	50.0%	0	0.0%
Asian/Pacific Islander	105	83	79.0%	2	1.9%	14	13.3%	2	1.9%	4	3.8%
Black	42	32	76.2%	2	4.8%	7	16.7%	1	2.4%	0	0.0%
Hispanic	43	30	69.8%	2	4.7%	1	2.3%	8	18.6%	2	4.7%
White	851	678	79.7%	68	8.0%	61	7.2%	32	3.8%	8	0.9%
Other	27	25	92.6%	0	0.0%	0	0.0%	2	7.4%	0	0.0%
Joint (White/Minority) 5	29	22	75.9%	0	0.0%	3	10.3%	4	13.8%	0	0.0%
Race Not Available 6	132	90	68.2%	10	7.6%	15	11.4%	16	12.1%	1	0.8%
Total Minorities	248	193	77.8%	6	2.4%	25	10.1%	18	7.3%	6	2.4%

Table 4-21: Home Purchase Loan Data by Income and Race, 2003 (Continued)

Income And Race	Apps. Rec'd.	Loans Originated	Apps. Approved But Not Accepted		Apps. Denied		Apps. Withdrawn		Files Closed as Incomplete		
100-119% Of Msa Median											
American Indian/ Alaskan Native	3	2	66.7%	0	0.0%	0	0.0%	1	33.3%	0	0.0%
Asian/Pacific Islander	70	57	81.4%	5	7.1%	2	2.9%	4	5.7%	2	2.9%
Black	29	22	75.9%	2	6.9%	1	3.4%	3	10.3%	1	3.4%
Hispanic	32	26	81.3%	1	3.1%	4	12.5%	1	3.1%	0	0.0%
White	673	542	80.5%	45	6.7%	42	6.2%	36	5.3%	8	1.2%
Other	16	14	87.5%	1	6.3%	0	0.0%	1	6.3%	0	0.0%
Joint (White/Minority) 5	24	22	91.7%	1	4.2%	0	0.0%	0	0.0%	1	4.2%
Race Not Available 6	137	90	65.7%	12	8.8%	14	10.2%	21	15.3%	0	0.0%
Total Minorities	174	143	82.2%	10	5.7%	7	4.0%	10	5.7%	4	2.3%
120% Or More Of Msa Median											
American Indian/ Alaskan Native	7	5	71.4%	1	14.3%	0	0.0%	1	14.3%	0	0.0%
Asian/Pacific Islander	108	81	75.0%	8	7.4%	6	5.6%	11	10.2%	2	1.9%
Black	35	21	60.0%	3	8.6%	8	22.9%	3	8.6%	0	0.0%
Hispanic	24	18	75.0%	1	4.2%	3	12.5%	2	8.3%	0	0.0%
White	1299	1030	79.3%	85	6.5%	94	7.2%	73	5.6%	17	1.3%
Other	26	20	76.9%	2	7.7%	2	7.7%	2	7.7%	0	0.0%
Joint (White/Minority) 5	53	45	84.9%	4	7.5%	3	5.7%	1	1.9%	0	0.0%
Race Not Available 6	303	217	71.6%	30	9.9%	23	7.6%	29	9.6%	4	1.3%
Total Minorities	253	190	75.1%	19	7.5%	22	8.7%	20	7.9%	2	0.8%

Source: FFIEC Aggregate Tables 5-1 & 5-2

4.2.2 Sales and Rental Practices – Analysis of Fair Housing Survey

The second step in analyzing private market forces looks at the sales and rental practices of real estate agents and landlords. A recent study was undertaken that specifically focused on potential racial and other discriminatory practices including screening for children, receipt of public benefits, and handicapped status. The Fair Housing Center of Greater Boston conducted the study using paired testers. The tests were performed at both real estate and property management offices.

The Fair Housing Center of Greater Boston was founded in 1998 and works to eliminate housing discrimination and promote open communities throughout the region including Suffolk, Norfolk, Middlesex, Essex, and Plymouth counties. They focus on education and outreach, public policy analysis, research, and enforcement. The Lowell and Merrimack Valley area audit is the third rental housing discrimination study released by the Fair Housing Center. The results of all three studies have shown evidence of discrimination in more than half of the cases. The studies were funded in part by the US Department of Housing and Urban Development.

The types of discrimination that occurred in the Merrimack Valley study did not include any cases of

overt racism. None of the testers were told they could not rent due to their race, familial status, etc. Racism in the rental and real estate market takes on a much more subtle form. The only way to test for it in the market place is with paired testing. Paired testers are matched on personal and home seeking characteristics so that the only significant difference between them is the factor being tested. By comparing their experiences, it is possible to identify any differences in treatment and/or information given. Testing has become an accepted practice used for self-compliance monitoring by the real estate industry and lending institutions and is used in response to a fair housing complaint to determine whether or not there is evidence to support or deny an individual's claim of discrimination. The courts have upheld the legitimacy of testing evidence in housing discrimination cases.

The greater Merrimack Valley study included 66 matched pair tests at 40 locations. Approximately 40% or 26 of the tests were performed at companies located in Lowell or companies outside of Lowell with rental properties in Lowell.

Fifty-eight percent (15 out of 26) of the Lowell tests showed evidence of discrimination. The results are highlighted below:

- 4 out of 5 Latino testers experienced discrimination
- 6 out of 10 African American testers experienced discrimination
- 4 out of 5 Asian testers experienced discrimination
- 1 out of 4 testers with families experienced discrimination

Discrimination occurred in subtle ways including:

- Lack of access to real estate agent
- Incomplete information about available apartments
- Higher rents
- More strenuous application process
- Lack of follow up from agents and property managers
- Steering - testers were only shown apartments in neighborhoods predominately populated by people of their race or national origin

While the report does indicate the presence of some discrimination in regional real estate practices, the nature of the study limits the ability for further interpretation. Due to the regional scope of the study it is difficult to discern where the incidents of discrimination occurred. Furthermore, the small sample size of testers and agencies tested do not produce reliable findings that may correspond to the entire City or region.

According to the Greater Lowell Landlords Association, some property owners take advantage of fair housing education offered through the MCAD. The GLLA represents only a small number of landlords; however, and as the study indicates, there is a need to reach out to a larger portion of property owners and real estate agents. The study may prove beneficial to the City's Fair Housing Program, as it develops its public outreach and educational activities. Additional information about Greater Boston Fair Housing Center's Discrimination in the Lowell and Merrimack Valley Rental Markets study may be found in Attachment D.

4.2.3 Predatory Lending

In communities such as Lowell, the number of "sub prime" loans has increased well above the state average. Public comments from the Merrimack Valley Housing Partnership attribute this increase to the larger minority and low-income populations in the community. Sub prime loans are higher-interest-rate

mortgages offered to consumers with credit problems or limited incomes that may benefit the borrower by expanding credit. Predatory loans have higher interest rates, excessive closing costs, prepayment penalties, fees, or balloon payment requirements and may include deception, fraud, or manipulation. These unfavorable loans are targeted at the elderly, minority and low-income homeowners who have financial troubles, are not fluent in English, or are otherwise intimidated by the process of securing a conventional mortgage. Unfavorable terms and higher interest rates can ultimately cause homeowners to lose their homes or the equity built up over decades.

To combat predatory lending in Lowell, the Massachusetts Community & Banking Council (MCBC) in collaboration with Merrimack Valley Housing Partnership, local lenders and non-profit housing providers launched the “Don’t Borrow Trouble” campaign in Lowell in 2003. “Don’t Borrow Trouble” is a public awareness campaign developed to caution homeowners about the risks of certain refinance and equity loans. The community organizations distributed posters and brochures and a provided a toll-free number, 800-495-2265, sponsored by the Massachusetts Division of Banks, where homeowners can get free, anonymous refinancing or foreclosure prevention advice. Brochures are available in Spanish, and counselors are fluent in Spanish, Khmer, and other languages to assist homeowners.

Federal agencies have funded consumer education programs in Lowell including financial literacy, credit counseling, and homebuyer education that address credit problems and issues related to excessive debt. It does not appear that there is any on-going preemptive program to educate the community about predatory lending. In the City of Lowell Master Plan, owner occupancy is encouraged as a means to stabilize neighborhoods. Part of this recommendation is to actively work to discourage predatory lending in Lowell by supporting programs such as the “Don’t Borrow Trouble” campaign.

A recommendation has been added to the 2005 list of Impediments/Recommendations to enhance the on-going awareness of predatory lending to the targeted populations and neighborhoods through a marketing campaign that includes a broad range of participants including local banks, realtors, community based organizations and government.

4.3 Public and Private Sector

4.3.1 Fair Housing Enforcement

As discussed in Chapter III, the Massachusetts Commission Against Discrimination (MCAD) has received few fair housing complaints from Lowell residents in the past five years. The limited number of grievances on file may be due to the fact that complaints must be filed in person at MCAD’s office in Boston. In addition, a very small percent of discrimination is reported as most protected classes do not know that they have been discriminated against or do not know what constitutes discrimination. Because of this, it is important that a system for monitoring and enforcing fair housing activity in Lowell is established.

Since the 2001 AI, the City of Lowell has made progress toward addressing the lack of a fair housing advocate. Community Teamwork, Inc. (CTI) a local multi-service non-profit is establishing fair housing education programs through its Fair Housing Advocate position. Eventually, CTI hopes to establish a reliable network for identifying, reporting and enforcing housing discrimination in the City. Under the charge of CTI, these fair housing activities should be able to successfully reach Lowell’s protected classes.

As CTI continues to establish its fair housing outreach program, concerns remain that few resources are available to ensure that a stable program succeeds. This is addressed in more detail as Impediment #1 in the 2005 AI.

4.3.2 Informational Program

Currently there are several agencies providing fair housing outreach. Through its First Time Homebuyer Trainings, the City of Lowell and the Merrimack Valley Housing Partnership offer information about housing discrimination. The Lowell Housing Authority also provides fair housing education through its Section 8 Certificate program. As discussed previously, the Greater Lowell Landlords Association encourages its members to attend trainings on fair housing regulations.

In an effort to provide more formal fair housing education and outreach, a Fair Housing Advocate has been employed through the non-profit, Community Teamwork, Inc. The goal of this position is to launch fair housing education for landlords and real estate agents, as well as renters and households seeking housing. Until CTI's educational program is strengthened, Impediment #1 of the 2005 AI identifies the lack of a well-established fair housing entity as an impediment to fair housing choice.

4.3.3 Visitability in Housing

HUD endorses the "visitability" concept, which is a voluntary standard promoted by the Department in 2 and 3 family new construction and existing structures. Visitability means that:

- (1) at least one entrance is at grade (no step), approached by an accessible route, such as a sidewalk and
- (2) the entrance door and all interior doors on the first floor are at least 34 inches wide, offering 32 inches of clear passage space.

Visitability allows mobility-impaired residents to visit families and friends where this would not otherwise be possible. A visitable home also serves persons without disabilities (for example, a mother pushing a stroller, a person delivering large appliances, a person using a walker, etc.). One difference between "visitability" and "accessibility" is that accessibility requires that all features of a dwelling unit be made accessible for mobility-impaired persons. A visitable home provides less accessibility than an accessible home, and is meant to be those units not required to be accessible."

The City lacks guidelines regarding visitability/accessibility that go beyond what is required by the basic "handicapped accessibility" laws for CDBG and HOME funded residential development of more than four units. This guideline would affect new construction of private residential developments and rehabs of 3 or fewer units. The City of Lowell has no such standard other than what is required by Massachusetts Building codes. The omission of visitability guidelines is included in the current AI as Recommendation #3 (see Chapter VI).

4.3.4 Federal Fair Housing and Equal Opportunity Requirements

The Department of Housing and Urban Development requires municipalities that receive federal funding to comply with the Fair Housing Act and related anti-discriminatory regulations. The City is taking steps to ensure compliance with these programs by developing and updating documents that guide the City's practices in meeting the needs of protected classes.

In particular, City staff are updating the Section 504 Transition Plan. Section 504 of the Rehabilitation Act of 1973, provides that no otherwise qualified individual with a disability shall, solely by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Recipients of HUD financial assistance must take all steps necessary to ensure that their programs, services, and activities comply with Section 504 to the maximum extent possible. The City's Section 504 Plan, originally adopted in 1994, contains grievance procedures and resolution processes for addressing discrimination and harassment complaints.

The City is also developing a Plan for Persons with Limited English Proficiency (LEP). Executive Order 13166, titled, “Improving Access to Services by Persons with Limited English Proficiency”, requires communities that receive federal funding to assess and address the needs of otherwise eligible persons seeking access to federally conducted programs and activities who, due to LEP cannot fully and equally participate in or benefit from those programs and activities. Communities are also directed “to prepare a plan to improve access to...federally conducted programs and activities by eligible LEP persons.” Based on guidance issued from the Department of Justice in February, 2005, the City is drafting a document which includes a self-analysis of LEP needs and a 5-factor plan to provide meaningful access in agencies and programs to persons with LEP. Currently the City posts public notices regarding federally funded programs and Annual Action Plan processes in Spanish, Portuguese, Khmer, as well as English. Interpreters for both non-English speaking and hearing-impaired individuals are also provided at public hearings if requested. An LEP Plan will help further identify the nature and frequency of LEP needs, as well as, effective measures to meet these needs.

Upon completion, these updated documents will be available to City employees and participants of federally funded programs and will help ensure that the City is meeting the needs of protected classes.

4.4 Resolution of Past Findings

Where there is a determination of unlawful segregation or other housing discrimination by a court or a finding of non-compliance by HUD under Title VI of the Civil Rights Act of 1964 or Section 504 of the Rehabilitation Act of 1973, or where the Secretary has issued a charge under the Fair Housing Act regarding assisted housing within a recipients jurisdiction, this document should include an analysis of the actions which could be taken by the recipient to help remedy the discriminatory condition, including actions involving the expenditure of funds by the jurisdiction

No such determination or finding has been issued against the City of Lowell.

5.0 ASSESSMENT OF CURRENT PUBLIC AND PRIVATE FAIR HOUSING PROGRAMS AND ACTIVITIES IN THE JURISDICTION

Until recently, the City of Lowell did not have a Fair Housing Program. During the preparation of the 2001 AI, the following comments regarding the lack of fair housing information and advocacy were made:

- City is not providing information on tenant rights
- Lack of bilingual services for tenant landlord disputes
- Lack of bilingual assistance for those with language barriers
- Lack of available bilingual reading material regarding tenant rights etc.
- Landlords put messages on phone answering machines “Will not accept section 8”
- Elderly tenants do not know their rights! (Especially with regards to intimidation)
- No enforcement
- Tenants do not know their rights. There is a lack of knowledge on tenants part on how to address discriminatory practices
- Lack of Enforcement of Tenant Rights gives the landlords permission to continue intimidating and discriminating

Of those comments made during the development of the 2001 AI, the lack of bilingual service assistance with housing searches, and the lack of fair housing educational material in other languages were comments that reappeared at a Public Hearing held in February 2005 for the preparation of the current AI. Public hearing participants also noted the need to establish a clear process for reporting acts of housing discrimination, a point raised during the 2001 planning process. CTI’s fair housing advocate is hoping to address these concerns through public outreach activities and services.

The following includes additional comments received during the 2005 AI planning process. Complete meeting notes from the February public hearing may be found in Attachment A.

- Educational materials in languages other than English are needed
- Outreach organizers need to be familiar with other languages and cultures
- Cambodian immigrants have experienced incidences of steering, especially among recent immigrants seeking ownership units
- Individuals associated with some social service agencies experience discrimination
- The Greater Lowell Landlord’s Association encourages landlords to access fair housing training through MCAD.

In 2002, a city employee was hired to provide fair housing information but the majority of responsibilities included housing search and advocacy. During the FY 2004-05 Consolidated planning year, CDBG funds were allocated to Community Teamwork, Inc. (CTI) to partially subsidize a program to address the lack of a fair housing entity. CTI is a large, well-established, multi-service, not-for-profit

organization founded in 1965. It's mission is to assist low-income people to become self sufficient, to alleviate the effects of poverty, and to assist low-income people in participating in the decisions that affect their lives.

As a community based organization, CTI serves and knows the community well. The agency provides programs ranging from childcare and family life to housing and homeless services including shelters, homeless prevention, advocacy and educational programs. Translation services are also available. Under CTI's umbrella, fair housing services should be much more accessible to protected classes.

CTI used CDBG funding during fiscal years 2004-05 and 2005-06 as seed money to add a Fair Housing Advocate/Educator position to their Consumer Education Program in order to increase its services and visibility within the community. The program objectives include assisting housing consumers to overcome discrimination that would prevent them from buying or renting housing. The activities include providing information and services that will heighten awareness among housing seekers and providers of their rights and obligations under existing fair housing laws. The program is beginning to coordinate a "Lowell Fair Housing Coalition" composed of community residents, organizations and businesses that will focus on outreach and education. "Train the Trainers" sessions and fair housing counseling will also be provided. The CTI development department will assist in grant writing to expand the services of the program. The Fair Housing Educator/Coordinator works in conjunction with the Housing Consumer Education Center and provides administrative support to all existing local commissions and coalitions focusing on housing issues.

The role of economics, historical housing patterns, and personal choice are important to consider when examining fair housing choice. The decision of where to live depends largely on income. The economics of the marketplace control the availability of housing to households with limited income and may lead to the concentration of minority groups in certain neighborhoods with apartments that are more affordable than in other neighborhoods. Historically, zoning and development patterns also played a significant role in housing choice. Block groups in downtown Lowell are primarily made up of larger multi-family housing stock, whereas the outer neighborhoods tend to have fewer multi-family rental properties and many more single-family residences. Personal choice is an important consideration in the examination of fair housing issues. Every household regardless of race, disability, or other characteristic is free to choose where to reside. Ethnic groups may prefer to live in neighborhoods where they may have family and purchase goods from ethnic markets.

While economics, historical housing patterns, and personal choice are important considerations, the purpose of the fair housing laws extend beyond these basic issues to consider discrimination reflected within the housing delivery system. The impediments identified in this report are based on the principle that each household has the opportunity to make a personal housing choice that is within their economic means.

The City of Lowell has made outstanding progress on most of the 2001 Impediments cited in the 2001 AI. Several are no longer considered impediments in the 2005 Analysis of Impediments to Fair Housing Choice. Others have been alleviated through policy and guidelines as set forth in the City of Lowell Comprehensive Master Plan and subsequent rezoning plan. Policy and recommendations have been included to guide future development of the city in a manner that will improve the quality of life for all of the residents of Lowell. The Master Plan analyzes the issue of clusters of poverty housing in the downtown census tracts that have been a result of years of historical housing patterns and obsolete zoning policy that has not kept up with unique needs of urban downtown areas.

The following Chapter will identify and discuss impediments identified for 2005. The impediments will include any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices or the availability of housing choice. It will also recommend actions to reduce or prevent identified impediments. Additionally, this section will summarize impediments identified in the 2001 Analysis of Impediments to Fair Housing Choice and evaluate progress made with these impediments. The actions discussed are based in part on recommendations from the community through public hearings and written comments received by the Lowell Division of Planning and Development.

6.1 Evaluation of Impediments and Recommendations Identified in 2001

The following section recalls those impediments and recommendations identified in the 2001 AI. Text from the 2001 AI is in italics. Evaluations of the actions taken to address the impediments/recommendation are also included.

Impediment #1: Lack of Fair Housing Agency

The lack of a coordinating entity to perform fair housing enforcement, education, advocacy, and monitoring in Lowell has the effect of creating an impediment to fair housing. Comments from community resource agencies who participated in Fair Housing public hearings and the results of the fair housing survey, made it apparent that there is discrimination in rental practices against minorities, households with children and families with subsidized income or rental vouchers. Impediment #12 and 13 of the 1997 AI also identified discriminatory real estate practices and the lack of education about one's fair housing rights as impediments. The low number of Massachusetts Commission Against Discrimination (MCAD) housing discrimination cases does not suggest that there is a minimal level of housing discrimination in Lowell; more likely it reveals that victims of discrimination are unable to register complaints because there is no place to file in the jurisdiction and they may not have the time or transportation to travel to, or knowledge of, the Massachusetts Commission Against Discrimination in Downtown Boston, or they are unaware of their housing rights.

Evaluation of Actions Taken to Address this Impediment:

The City of Lowell has made very good progress on addressing the lack of a fair housing entity or program since 2001. CDBG funds were allocated to partially subsidize a program to address the lack of a fair housing entity. The position was originally a city employee, who worked in the Department of Planning and Development. Since 2004, fair housing activities have been provided through Community Teamwork Inc., (CTI) a large non-profit multi-service provider. Under CTI's umbrella, fair housing services should be much more accessible to protected classes. CTI has used the funds to hire a Fair Housing Advocate/Educator position that works within the Consumer Education Program. The programs fair housing objective is to assist consumers overcome discrimination that would prevent them from buying or renting housing. Activities include providing information and services that will heighten awareness among housing seekers and providers of their rights and obligations under existing fair housing laws. In addition, the Fair Housing coordinator will work in conjunction with the Housing Consumer Education Center and all existing local commissions and coalitions focusing on housing issues to help identify the housing resources available to the residents of Lowell.

CTI is in the process of developing the Fair Housing Program and intends to increase the services and visibility within the community. The program will include a "Lowell Fair Housing Coalition" composed of community residents, organizations and businesses that will focus on outreach and education. "Train the Trainers" sessions and fair housing counseling will also be provided. The CTI development department will assist in grant writing to further fund Fair Housing work.

Currently limited staff time and resources are available to develop a lasting and successful program. It is strongly recommended that current funds available for this position be leveraged to seek additional fair housing initiative funds so that a more solid Fair Housing Program with sufficient staffing and other resources can be established. In addition, it is not clear whether this program can proceed without the CDBG funds currently provided through City of Lowell.

This Impediment is identified as Impediment #1 in the current AI.

Impediment #2: Concentration of subsidized housing in small geographic area

Minorities live in all neighborhoods in the City but are primarily concentrated in the lower per capita income census tracts in Central Lowell. 60%, or 1200, public housing units are located in these Census Tracts. 1500 state/federal subsidized housing developments and 40% of all Section 8 certificate holders are also located within these Census tracts. According to the 2000 Census the minority concentrations in these areas of Lowell have increased since 1990. This concentration may be a result of economics, historical housing patterns and/or personal choice. Some of it, however, may be due to past discrimination by real estate and banking professionals, past public policy decisions about location of public investment, large-scale subsidized housing site selection decisions, and other publicly initiated projects. Historical policies and actions regarding siting of public housing locations in the 1950's, urban renewal in the 1960's, no risk federally subsidized mortgage lending decisions made in the banking industry, targeting of federal funds to housing in the suburbs, and neighborhood disinvestment that led to the Community Reinvestment Act of the 1970's transformed inner city neighborhoods throughout the U. S. The concentration of low-income minorities in Central Lowell may also be due, as reported by community resource providers, to private sector discrimination by property owners.

Evaluation of Actions Taken to Address this Impediment:

The City of Lowell has made a concerted effort to deconcentrate poverty clusters and minority concentrations in the lower per capita income census tracts in Central Lowell. Since 2000 in the Downtown census tracts, 396 new units have been built and occupied, 358 have received building permits and are under construction, and 299 more are currently working through the permitting process for a total of 1053. In 2000, according to the 2000 U.S. Census, there were 3,260 total units in the same block groups. When the additional units are completed, there will be a 32% percent increase in the number of housing units in this area. The addition of these predominantly market rate units significantly mitigates the concentration of poverty and minority populations in Downtown Lowell.

The City undertook the development of a comprehensive master plan that addresses this impediment by presenting findings and recommendations that will assist in reducing the concentration of subsidized housing in Lowell. The Master Plan details a 20-year housing strategy based on feedback received through community-based planning efforts, such as focus groups and surveys, and an extensive data collection and research phase. Included in the Master plan are several recommendations concerning the decentralization of low income housing in the central block groups in Lowell in order to discourage the continuation of clusters of poverty including:

- Housing for very low and low-income families should be distributed in lower density, smaller structures.
- Adopt an inclusionary zoning provision that requires large-scale projects to commit a small percentage of units to permanent affordable housing.
- Lowell and its neighboring towns should commit to expanding the supply of affordable housing at a range of income levels to stabilize the regional housing market.
- Support efforts to promote increased market-rate housing development in areas where the concentration of subsidized housing causes an imbalance or concentration of poverty.

The City of Lowell's new Zoning Ordinance, which was adopted in December 2004, strongly encourages market rate residential development in the Downtown. An increased emphasis on mixed

income housing in the Downtown area will help to increase the overall housing stock in Lowell. In addition, the Planned Residential Development regulations allow for greater density when creating public or common open space.

The robust housing and condo market also played a major role in the successful development of market rate housing in downtown Lowell. If the economy slows down, concerns about previous disinvestment must be addressed so that the success of the last five years is not lost. The establishment of a solid middle class in these areas with a safe and active downtown will hopefully stabilize this area for the long term.

While the concentration of low-income, minority populations in central Lowell is no longer an impediment, the current AI recommends that a commitment be made to developing affordable housing in sections of the City and the region with low concentrations of affordable housing and/or minority populations.

The 2005 AI identifies the need to provide low-income housing in those census tracts with low concentrations of minorities and low-income households as Recommendation #2.

Impediment #3 Possible Lack of Geographic Options for Minorities Being Relocated from the Julian D. Steele Housing Development

The relocation of 180 JDS households requires the use of other LHA sites or S8 rental assistance, depending upon the preference of the JDS tenant. The analysis in section IV shows that a possible impediment exists only for those tenants that choose to relocate to other LHA sites. The relocation of JDS residents to public housing units in “Areas of Minority Concentration”, as defined by the Consolidated Plan will be considered an impediment only if there are “involuntary” relocations of tenants because the LHA is unable to provide an option that would give the JDS tenant an acceptable geographic choice. The “Areas of Minority Concentration” a designation used by the City to define block groups with a minority population greater than 37.3%. It was established by selecting the highest quartile block groups of minority concentration.

76 JDS residents have indicated a preference for other LHA public housing units. There are 682 family units appropriate for these 76 residents. 320 family units are located at the North Common Public Housing Development, the LHA's largest development. North Common is located in a block group that has a very high minority concentration of 59%. The LHA George Flanagan development with 166 units is the next largest family development and is located in a block group with a minority concentration of 41%. Both sites are located in “Areas of Minority Concentration.” The remaining LHA family units are located in smaller scattered site locations with 26 units or less.

As discussed in Section IV, there will be about 50 JDS residents that will be presented with the choice of moving to an “Area of Minority Concentration.” The impediment exists only if the JDS tenant declines another LHA unit offered to them and there are not adequate options open to them. In terms of housing options, any site located in a block group with a 10% lower relative minority concentration than the block group in which the JDS housing development is located, would be considered adequate choice.

Evaluation of Actions Taken to Address this Impediment:

The Lowell Housing Authority has reported that all Julian Steele (JDS) residents were relocated to housing of their choice without incident. (See Attachment C) The LHA gave Julian Steele residents several options, and each household freely selected another location in Lowell or moved out of the City. When the Concord Meadows development at the former JDS site is completed, all relocated residents will be given preference by the LHA and RFDC to move back. While many of the tenants have moved to locations with higher minority concentrations than the Julian D. Steele public housing development had in 1990, it should be noted that minority populations have increased all over the city by approximately 15% during the same time period. Those that relocated to areas of minority concentration did so by choice. All of the action steps from the 2001 AI to address this impediment have been completed.

Impediment #3, from the 2001 Analysis to Impediment to Fair Housing Choice, was included to ensure that all residents would be relocated based on a choice of options. As there were no involuntary relocations of residents, housing choices were upheld, and all of the actions steps required from the 2001 AI to address this impediment have been completed. Impediment #3 from 2001 has been satisfactorily addressed and is no longer a potential impediment to fair housing choice.

Impediment #4: Minorities on LHA Waiting List

All families with children that are on the LHA waiting list for either an LHA housing unit or LHA managed Section 8 voucher will be disproportionately affected because 180 JDS residents will be placed at the head of the waiting lists for LHA family units and Section 8 vouchers. Of the 2,405 on the LHA waiting list, there are 816 large family households waiting for units with 3 to 5 bedrooms. 81% of these households are minorities. The waiting period for a family before an LHA unit becomes available is two years for 2 to 5 bedroom units. The LHA estimates that the relocation of JDS households will increase the wait by about one year.

It must be noted that the HUD public policy of deconcentrating poverty by the development of mixed income housing on existing troubled public housing sites results in increasing waiting lists. This is an unavoidable outcome due to the temporary relocation of tenants during the construction period.

Evaluation of Actions Taken to Address this Impediment:

The issue of very long public housing and rental voucher waiting lists continues to be an issue, not just in Lowell but in cities nation-wide, especially in Massachusetts which has one of the highest cost of living rates in the country. The lack of affordable housing options is well documented in the City of Lowell's 2005-2010 Five Year Consolidated Plan, as well as strategies that Lowell is undertaking to ameliorate the barriers to affordable housing.

The Lowell Housing Authority waiting list for public housing has increased from 2,405 in 2001 to 5,059 today. The wait list for Section 8 Vouchers has decreased and it is likely that the Section 8 waiting list will open soon. Minorities make up a majority of the families on the waiting list.

The relocation of 180 JDS tenants was completed by 2002. Additional vouchers were obtained to alleviate the decommissioning of the JDS units. The JDS relocation, therefore, has no effect on the waiting list at this point. The increase is due to a nationwide freeze on rental vouchers and a severe shortage of affordable housing options throughout the state, circumstances and policies that are outside the control of local government.

Impediment #4, from the 2001 Analysis to Impediment to Fair Housing Choice, was included as a temporary impediment and has been resolved now that all JDS residents have been relocated. Impediment #4 from 2001 is no longer considered an impediment to fair housing choice.

Impediment #5: Shortage of 3&4 Bedroom Affordable Rental Units for families with children

As identified in the 1997 AI, Families with Children face a shortage of 3 & 4 bedroom units. University of Massachusetts, Lowell students who rent large off campus apartments intensify this impediment. University of Massachusetts, Lowell is not keeping up with on campus housing at a rate that keeps up with increasing enrollments. Students are renting many of the larger rental units limiting the supply of units available to larger families.

Evaluation of Actions Taken to Address this Impediment:

Since 2001, the City has made some progress toward addressing the shortage affordable rental units for large families. The City's Comprehensive Master Plan, adopted in 2003, recommends that the City facilitate and encourage the development of student housing in the City of Lowell to reduce the impact of student tenants on the affordability of rental housing. The University of Massachusetts, Lowell contributes to lessening the pressures of their students on the housing market in the neighborhoods by keeping on-campus housing costs below market levels, encouraging students to stay on campus when possible. In an effort to encourage construction of off-campus higher-density student housing in locations near the University, the City created the Institutional zoning district (INST). The new mixed-use district is designed to capitalize on the development potential of the major institutional campuses in the City, while serving to contain the impact of these campuses in designated areas. The INST provides for much higher permitted residential densities and lower parking requirements for student housing than were available under the zoning districts near the campus prior to December 2004. In June 2005, a 120-unit private student housing project was proposed for development in an INST district adjacent to the South Campus of the University of Massachusetts-Lowell. This project is currently in the permitting process.

As a result of these efforts, this issue is no longer considered an impediment to fair housing choice. The City recognizes that there may be other factors contributing to the shortage of affordable rental housing units, not identified in this report. For this reason, the City should develop policies or incentives favoring development of larger housing units, funded with Federal, State, or City resources. This proposal is addressed as Recommendation #4 in the current AI.

Impediment #6: Lack of racial diversity on City boards and Commissions

There is a lack of diversity reflecting the racial and ethnic composition of the City on the zoning and planning boards. Currently there is minimal minority representation.

Evaluation of Actions Taken to Address this Impediment:

The City has made no progress on diversifying its board membership.

This Impediment is addressed as Impediment #2 in the current AI.

Impediment #7: Discrimination in rental real estate practices because of lead paint issues.

The City's abundance of older housing stock with lead paint, in conjunction with Massachusetts Lead Paint Law, has the effect of impeding the housing options of families with young children. Many landlords are reluctant to rent to families with young children, particularly because of lead paint law issues and the high cost of compliance.

Evaluation of Actions Taken to Address this Impediment:

The City of Lowell has made very good progress in deleading the older housing stock in the City. Unfortunately, 79% of Lowell's housing stock or almost 31,000 units was built before 1950 and Lowell has one of the highest rates of lead poisoning in the state. Of concern is the loss of funding from HUD in the last competitive round of Lead Hazard Control Grant Funding.

This impediment is addressed as Impediment #3 in the 2005 AI and will be considered an impediment to fair housing choice until future funds are secured to continue the program at current levels.

Recommendation #1: Lack of policy regarding accessibility/visitability

The DPD lacks guidelines regarding visitability/accessibility that go beyond what is required by the basic "handicapped accessibility" laws for CDBG and HOME funded residential development of more than four units. This guideline would affect new construction of private residential developments and rehabs of 4 or fewer units.

Evaluation of Actions Taken to Address this Recommendation:

The City recognizes the advantages of incorporating the concept of visitability into building codes and construction policy, however with no control over building codes, the City is unable to make significant advancements in addressing this recommendation. This recommendation is included in the 2005 AI."

Recommendation #2: Lack of flexible LRTA public transportation hours

The LRTA buses operate only until 6pm thus restricting residents without cars access to public transportation to second and third shift jobs, many of which are held by minorities. In addition, there are no translation services offered through the customer service line of the LRTA.

Evaluation of Actions Taken to Address this Recommendation:

The City of Lowell has made substantial progress on overcoming Recommendation #2 and achieving the action steps outlined in the 2001 recommendation. The progress includes the completion of the Master Plan Existing Conditions Report that included traffic volume and pattern studies and the LRTA's subsequent complete revision of their service plan that includes a bus hub at the Gallagher terminal to simplify transfers between public transportation modes as well as extended service hours for some bus routes and a downtown circulator service in the evenings. The City is currently preparing an application for state transit oriented development grant funds to improve the pedestrian and bicycle access and connections to the Gallagher terminal. The lack of flexible LRTA public transportation hours is no longer considered an impediment to fair housing choice.

Recommendation #3: Monitor the LHA Senior Designation Plan

The Allocation Plan for the Designation of elderly and disabled units owned by the LHA is being identified as an area of concern. The fair housing concerns include the impact on housing options at LHA sites and the availability of units for disabled populations. The May 2001 Draft Allocation Plan is summarized in the table below:

SUMMARY OF MAY 2001 DRAFT OF LHA SENIOR DESIGNATION PLAN

Current Use	Designation Plan		
Units Available Before Designation Plan	Elderly Set Aside Units (75%)	Mixed Units (25%)	Wheelchair Units
818	588	199	31
Preference	Preference	Preference	Preference
Elderly > 62)	Elderly > 62	Elderly > 62	Disabled-any age
Disabled < 62)	Near Elderly (> 50)	Disabled < 62)	
	Young Disabled (< 50)		

In the current version of the LHA Designation plan, 102 new Section 8 (S8) rental vouchers will be set aside to replace the LHA units that will be lost to the disabled population when the seniors are occupying 75% of the units. However, if the waiting list preferences remain the same as shown above, the percentage of elderly or near elderly can continue to increase with a further loss of units for the disabled. There is no provision in the plan to replace disabled units beyond the 102 based on a 75% elderly population. As a result of this action there could be a loss of housing options available to the disabled and a clear impediment to fair housing choice would exist.

Evaluation of Actions Taken to Address this Recommendation:

The Lowell Housing Authority has successfully implemented the Designation Plan. The 75-25 percent of elderly to disabled residents has remained relatively constant over the last 3 years.

Recommendation #3 from the 2001 AI is no longer considered an impediment to fair housing choice. The City encourages the LHA to continue to work with elderly and disabled tenants and advocates for those populations, in maintaining fair, balanced, and transparent policies for designating units as they become available.

6.2 2005 Impediments to Fair Housing Choice

Impediment #1: Lack of a Fair Housing Agency

The lack of a stable and well-established fair housing entity creates an impediment to fair housing in the City. The 2001 AI identified the need for a fair housing agency and suggested that a local fair housing program be established to educate consumers and housing suppliers about fair housing rights, and to monitor and enforce fair housing laws. The study also advised consultation with the MCAD for information about starting a program, and recommended the appropriation of sufficient funds to support such a program. Ideally, Fair Housing programs should be maintained through

existing neighborhood and cultural organizations that understand the needs and speak the languages of their constituents. Providing more Fair Housing education and outreach through community-wide educational events will help residents develop an increased understanding of their rights under the law and the many forms of discrimination. The establishment of a local fair housing program will make it easier for residents to file a complaint if they believe that they have been victims of discrimination.

Community Teamwork, Inc. manages fair housing issues through its Consumer Education Program. While it employs a number of individuals to address local housing issues, the responsibility of developing a fair housing program currently rests on one individual. It is strongly recommended that current funds available for this position be leveraged to seek additional fair housing initiative funds so that a more solid Fair Housing Program with sufficient staffing and other resources can be established.

Actions to be Taken to Address this Impediment

The City has made substantial progress on addressing the lack of a fair housing entity or program since 2001. Initially fair housing issues were channeled through the City's Health Department. Since 2004, this function has been filled through Community Teamwork, Inc. (CTI), a multi-service non-profit provider, offering fair housing services through its Consumer Education Program. CTI used CDBG funding during fiscal years 2004-05 and 2005-06 as seed money to add a Fair Housing Advocate/Educator position to their Consumer Education Program in order to increase its services and visibility within the community. The program objectives include assisting housing consumers to overcome discrimination that would prevent them from buying or renting housing. The activities include providing information and services that will heighten awareness among housing seekers and providers of their rights and obligations under existing fair housing laws. The program is beginning to coordinate a "Lowell Fair Housing Coalition" composed of community residents, organizations and businesses that will focus on outreach and education. "Train the Trainers" sessions and fair housing counseling will also be provided. The CTI development department will assist in grant writing to expand the services of the program. The Fair Housing Educator/Coordinator works in conjunction with the Housing Consumer Education Center and provides administrative support to all existing local commissions and coalitions focusing on housing issues. Other functions of this position include providing information and services that will heighten awareness among housing seekers and housing providers of their rights and obligations under existing fair housing laws. The Fair Housing Coordinator also works in conjunction with the Housing Consumer Education Center and other local commissions that focus on housing issues to help identify housing resources available to the residents of Lowell.

During the preparation of the City's Annual Action Plan for the 2006-07 fiscal year, the Citizens Advisory Committee did not recommend to fund the Fair Housing Coordinator position with CDBG funds for another year. After receiving two years of seed money, the City believes the agency is in a position to operate successfully without financial support from the City. Were it not for the combination of cuts to the City's block grant funds as well as the substantial impact of declining program income on the public service cap funds, the Citizens Advisory Committee would have likely found a way to continue some support with seed money. The City acknowledges the advantages of supporting an outside agency to address fair housing concerns and should continue to work with CTI to ensure progress on this issue. CTI is eligible to apply for CDBG funds during the 2007-08 Annual Action Plan process.

Opportunities to market and educate fair housing to city residents such as Fair Housing month should be co-sponsored by the City of Lowell and the Lowell Housing Authority to demonstrate that Lowell does "affirmatively further fair housing." These types of activities can encourage and educate people to report housing discrimination. In addition, MCAD will provide speakers for these types of events.

In order to monitor discrimination in fair housing, a hotline or similar method of tracking community concerns should be developed to track discrimination incidents. Information collected from the use of the hotline could be used to create a database to establish whether certain landlords or banks have a pattern of discriminating. If patterns are apparent, the City needs to require education or engage in “testing”. A testing program pairs buyers and renters with similar profiles, and evaluates their experiences with brokers, landlords and bankers during their housing search.

Finally, as part of its commitment to addressing fair housing issues, the City will continue to work with CTI and its Fair Housing Coalition to track the progress of the program. An evaluation of CTI’s Fair Housing Program should be performed annually to ensure continued progress on this issue and to guarantee that a program that includes education, counseling, monitoring, and enforcement, is established as planned. The following items should be included in this assessment:

- Identify needs to train realtors and landlords with fair housing practices, as identified in the Fair Housing Center of Boston’s findings
- Have existing financial resources been renewed?
- Have additional funds been accessed?
- What additional fair housing activities have been added to the program?
- How many local agencies have been trained in fair housing?
- Is the staffing/activity level sufficient to implement new activities proposed for this program?
- Has a Fair Housing Coalition been developed? How often do they meet? What is their action plan?

Impediment #2: Lack of Racial Diversity on City Boards and Commissions

Currently there is minimal minority representation on City land use boards. There is a lack of diversity reflecting the racial and ethnic composition of the City on the zoning and planning boards.

Actions to be Taken to Address this Impediment

The City has made no progress on addressing this Impediment since it was identified in the 2001 AI. The City needs to recruit minority and/or disabled candidates to fill future seats on the Lowell Planning Board, Zoning Board of Appeals, Conservation Commission, and other local and regional boards.

Impediment #3: Discrimination in Rental Real Estate Practices Due to Presence of Lead Paint

The abundance of older homes with lead paint in the City, in conjunction with Massachusetts' Lead Paint Law, limits the number of available homes for families with young children. Many landlords are reluctant to rent to families with young children, particularly because of lead paint laws and the high cost of compliance. 79% of Lowell's housing stock (almost 31,000 units) was built before 1950 and Lowell has one of the highest rates of lead poisoning in the state. While the City has made good progress in deleading some of the City's older housing stock through its Lead Abatement program, the recent loss of HUD Lead Hazard Control Grant Funding threatens the continued success of the program.

Actions to be Taken to Address this Impediment

The City's Lead Abatement Department will continue to address this problem by assisting landlords with the high cost of lead abatement and aggressively accessing additional Federal and State resources. The City will continue to address the high cost of lead abatement by providing grants, deferred loans and 3% loans to investors who create multi-family housing of 4 or fewer units.

6.3 Additional Recommendations

Recommendation #1: Increase On-going Predatory Lending Awareness Efforts

In communities such as Lowell, the number of "sub prime" loans has increased well above the state average. Sub prime loans are high interest-rate mortgages offered to consumers with credit problems or limited incomes that may benefit the borrower by expanding credit. Predatory loans have higher interest rates, excessive closing costs, prepayment penalties, fees, or balloon payment requirements and may include deception, fraud, or manipulation. The elderly, minority, and low-income homeowners who have financial troubles, are not fluent in English, or are otherwise intimidated by the process of securing a conventional mortgage, are often targeted by predatory loan agencies. Existing homeowners who refinance using sub prime loans are also targeted. Unfavorable terms and higher interest rates can ultimately result in the loss of equity in a home or a foreclosure on a home.

To combat predatory lending in Lowell, the Massachusetts Community & Banking Council (MCBC) in collaboration with Merrimack Valley Housing Partnership, local lenders and non-profit housing providers launched the "Don't Borrow Trouble" campaign in Lowell in 2003. "Don't Borrow Trouble" is a public awareness campaign developed to caution homeowners about the risks of certain refinance and equity loans. The participating community organizations distribute posters and brochures and provide a toll-free number, 800-495-2265, sponsored by the Massachusetts Division of Banks, where homeowners can get free, anonymous refinancing or foreclosure prevention advice.

Federal agencies have funded consumer education programs in Lowell including financial literacy, credit counseling, and homebuyer education that address credit problems and issues related to excessive debt. While it does not appear that there is any on-going preemptive program to educate the community about predatory lending, the City's First Time Homebuyer Program does provide information on this subject when assisting its clients. The City recognizes the importance of helping homebuyers find the best rates through reputable lending agencies to ensure lasting homeownership. In the City of Lowell Master Plan, owner occupancy is encouraged as a means to stabilize

neighborhoods. Part of this recommendation is to actively work to discourage predatory lending in Lowell by supporting programs such as the “Don’t Borrow Trouble” campaign.

Actions to be Taken to Address this Recommendation

Lowell has made a commitment in its Master Plan to support anti-predatory lending programs. Public awareness and preemptive education is vital to consumers who may fall prey to unfavorable lending programs. In order to ensure the success of current efforts to discourage predatory lending, the City should continue to work with the “Don’t Borrow Trouble Campaign” organizers. The City could coordinate public service announcements and/or arrange for information to be sent to homeowners in quarterly water bills or other forms of direct contact.

Recommendation #2: Concentration of Subsidized Housing in Central Lowell

While the City has made substantial efforts in deconcentrating subsidized housing downtown, continued efforts to develop low-income housing in block groups with lower-minority concentrations is recommended. Minorities live in all neighborhoods in the City but are primarily concentrated in the lower per capita income block groups. According to the 2000 Census, minority concentrations in all areas of Lowell increased from 1990-2000, with the greatest increases occurring in the Centralville, Lower Highlands, and Highlands neighborhoods.

Actions to be Taken to Address this Recommendation

Efforts should be focused on block groups along the City’s perimeter and in Lowell’s suburbs, which tend to have much lower minority concentrations. Because of this, activities to address this impediment require the cooperation of communities outside Lowell. While the state pressures communities to build housing for low-income residents through M.G.L. Ch 40B, additional incentives should be considered to increase the supply of housing for low-income minorities. The City’s updated Master Plan outlines recommendations to achieve this goal. Actions taken to achieve these recommendations should be monitored and reported in the City’s Consolidated Action Plan and Evaluation Report (CAPER).

Recommendation #3: Lack of policy regarding accessibility/visitability

HUD provides the following guidelines and recommendations in its Fair Housing Guide, pg 5-31:

“HUD endorses the “visitability” concept, which is a voluntary standard promoted by the Department in new construction and existing properties. Visitability means that:

- (3) at least one entrance is at grade (no step), approached by an accessible route, such as a sidewalk and
- (4) the entrance door and all interior doors on the first floor are at least 34 inches wide, offering 32 inches of clear passage space.

Visitability allows mobility-impaired residents to visit families and friends where this would not otherwise be possible. A visitable home also serves persons without disabilities (for example, a mother pushing a stroller, a person delivering large appliances, a person using a walker, etc.). One difference between “visitability” and “accessibility” is that accessibility requires that all features of a dwelling unit be made accessible for mobility-impaired persons. A visitable home provides less accessibility than an accessible home, and is meant to be those units not required to be accessible.”

The DPD lacks guidelines regarding visitability/accessibility that go beyond what is required by the basic “handicapped accessibility” laws for CDBG and HOME funded residential development of more than four units. This guideline would affect new construction of private residential developments and rehabs of 4 or fewer units.

Actions to be Taken to Address this Recommendation:

There has been no progress on incorporating the concept of visitability into local policy or building requirements, since this recommendation was included in the 2001 AI. It is recommended that the City identify specific steps that the jurisdiction should take to promote the concept of visitability. The City should also create written guidelines to that incorporate the concept of visitability in all new construction or substantial rehabilitation of 1-4 unit homeownership or rental units where HOME and CDBG funds are expended.

Recommendation #4: Shortage of 3 and 4 Bedroom Affordable Rental Units for Families with Children

A limited number of housing units with three and four bedrooms are available to families. This issue may be due, in part, to the number of University of Massachusetts, Lowell students renting large units, as identified in both the 1997 and 2001 AI. In an effort to encourage construction of off-campus higher-density student housing in locations near the University campus, the City created the Institutional zoning district (INST). The new mixed-use district is designed to capitalize on the development potential of the major institutional campuses in the City, while serving to contain the impact of these campuses in designated areas. While affordable housing developers are building housing units with more bedrooms, a lack of policies or incentives to encourage the construction of larger homes continues to affect the limited number of units available for families.

Actions to be Taken to Address this Impediment

The University of Massachusetts, Lowell contributes to lessening the pressures of their students on the housing market in the neighborhoods by keeping on-campus housing costs below market levels, encouraging students to stay on campus when possible.

Several developers have expressed interest in creating student housing in the new INST zone. Although larger unit housing has been built by affordable housing developers, there are no policies or incentives proposed to encourage the building of larger affordable homes. It is recommended that the City develop policies or incentives favoring larger unit affordable developments that receive Federal, State, and/or City funds as a way to ensure that more housing is created for larger families.

7.1 Public Hearing Meeting Notes and Attendees

The Lowell DPD held a public hearing on February 23, 2005 in order to establish a community perspective on fair housing. Notes and a list of attendees are attached below. A second public hearing was held on April 7, 2005 to discuss the drafts of the City's Five Year Consolidated Plan, the Annual Action Plan, and the Analysis of Impediments to Fair Housing. A list of attendees from this meeting is also attached. There were no comments specific to the 2005 Draft AI from that meeting.

Public Hearing – February 23, 2005 Meeting Notes

General Comments

- Recent immigrants have trouble renting/purchasing a home often due to the lack of a credit history
- Fair housing outreach and information is needed in multiple languages
- Property owners and real estate agents need to be made aware of fair housing laws
- Two-family, owner-occupied developments are exempt from Fair Housing regulations
- Presence of a criminal record is not a protected class under the Fair Housing laws
- "Testing" is an example of the methods used to determine if discriminatory activities are occurring
- Temporary restraining orders against a landlord/rental unit may be issued should an accusation of discrimination be reported

Comments from Specific Groups/Agencies

- CALL (Cambodian American League of Lowell):
 - There is a need to establish a clear process for reporting acts of housing discrimination
 - Individuals/agencies responsible for addressing fair housing issues should be familiar with the language and culture of various ethnic groups
 - Recent Cambodian immigrants seeking ownership units have experienced "steering"
- Eliot Presbyterian Church (Brazilian population):
 - For recent immigrants, unable to speak English and unfamiliar with rental/homeownership process there is some difficulty in determining if discrimination is occurring.
 - There is a need for interpreters/representatives to speak on behalf of those searching for housing
- GLLA (Greater Lowell Landlords' Association):
 - Landlords use Rental Policies and testing results to demonstrate that discrimination is not occurring
 - Rental Policies may change as market dictates – but must be applied to all potential renters
 - A landlord's ability to rent to families with children may be impacted by local sanitary codes and inspectional services
 - GLLA provides landlords the opportunity to access fair housing training with housing authorities, attorneys, etc.

- Lowell House:
 - Experience with discrimination toward clients with a history of addiction
 - Discrimination toward clients affiliated with agencies such as Lowell House

Public Hearing - February 23, 2005 Sign In



City of Lowell

DIVISION OF PLANNING AND DEVELOPMENT

JFK Civic Center
50 Arcand Drive
Lowell, MA 01852

Phone: 978-970-4252
Fax: 978-446-7014

Analysis of the Impediments to Fair Housing Choice Public Hearing - February 23, 2005

Sign In

Name/Organization

Mark E. Goldman	58 Oakland St. Lowell
Chester H. Briggs	GLLA.
Priscilla Hilliard	Greater Lowell Landlord Association
BUNROEUN THACH	CALL
Jeff Lombard	St. Anne's Episcopal Church
Marlene Browne	Lowell Housing Authority
Michael Deslocaux	Lowell House, Inc.
Ruy Costa	Eliot Presbyterian Church

Public Hearing – April 7, 2005 Sign In



FY 05-06 Annual Action Plan
Public Hearing #3

April 7, 2005 – Sign In



Name	Organization/Agency
------	---------------------

Mark E. Goldman	MA/COM/MOBILE PANTRY
Jerry Beck	58 Oakland St. Lowell, Ma.
T Stover	The Peabody Museum
Russ Smith	T.A.G.
Victoria Fanelly	LSBAC
Ray Boutin	ONE Lowell
Gregg Coteau	UTEC
Diane Dorian	CBA Board President
Lara Buxbaum	CBA Exec. Dir.

7.2 Comments Received



Merrimack Valley Housing Partnership

P.O. Box 1042 Lowell, MA 01853-1042
Tel: (978) 459-8490 Fax: (978) 459-0194 E-Mail: mvhpl@aol.com
www.mvhp.org

February 17, 2005

Allison Lamey
Community Development Asst.
Lowell Division of Planning and Development
50 Arcand Drive
Lowell, MA 01852

Dear Ms. Lamey:

Thank you for the invitation to attend the public hearing on February 23rd regarding the Analysis of Impediments to Fair Housing Choice report. I will not be able to attend the meeting but would like to submit my comments in writing.

The two issues that come to mind are the high cost of housing in Lowell and the growing presence of unscrupulous predatory mortgage lenders that target minorities and lower income earners.

The dramatic appreciation of home prices in this region has made home ownership more and more difficult to attain, particularly for low and moderate income earners. Fortunately, the City of Lowell and the Lowell Development & Financial Corporation have funded and supported down payment assistance programs which have helped hundreds of first time home buyers over the years. The continued operation of these programs is key to keeping home ownership a viable option.

The second issue is more insidious. Recent lending patterns in Massachusetts show that homebuyers in cities like Lowell receive a disproportionate amount of subprime mortgage loans. This is commensurate with the larger minority and lower income populations that comprise the community. The Massachusetts Community & Banking Council recently published a study titled "Borrowing Trouble? V, Subprime Mortgage Lending in Greater Boston, 2000-2003.

There is a legitimate place for subprime mortgage lending to reflect the added risk to the investor posed by a borrower with poor credit or other factors. However, some borrowers receive subprime loans when they would qualify for conventional, market rate, loans. These loans, along with those with unreasonable costs or penalties, are classified as predatory. Efforts have been made to educate the population about these unfair practices.

Two years ago, the "Don't Borrow Trouble" consumer awareness campaign was conducted in Lowell. However, these practices need to be addressed through on-going consumer education efforts.

Thank you.

Wilde

Sincerely,

Jim Wilde

Jim Wilde
Executive Director

Copy to: Adam Baacke

CITY OF LOWELL RESPONSE:

The City of Lowell is also concerned about the prevalence of sub prime lending in Lowell, particularly when unscrupulous lenders explicitly target minorities and lower-income households. Although the extent of sub prime lending is difficult to definitively quantify, the City has included a recommendation in this report to support consumer education efforts aimed at empowering potential borrowers to avoid the pitfalls associated with sub prime mortgages.

Kevin Ahern

From: postmaster@www.lhma.org on behalf of Postmaster [postmaster@www.lhma.org]
Sent: Tuesday, February 15, 2005 4:29 PM
To: kahern@www.lhma.org
Subject: Undeliverable Mail

Unknown host: ALANEY@CLOWELL.MA.US

Original message follows.

Received: from DCP0M341 [64.115.86.100] by www.lhma.org with ESMTP
(SMTPD32-8.14) id A9AB15400B4; Tue, 15 Feb 2005 16:29:15 -0500
From: "Kevin Ahern" <kahern@www.lhma.org>
To: <ALANEY@CLOWELL.MA.US>
Subject: FAIR HOUSING
Date: Tue, 15 Feb 2005 16:25:40 -0500
MIME-Version: 1.0
Content-Type: multipart/alternative;
boundary="-----_NextPart_000_0000_01C5137A.FD3983F0"
X-Mailer: Microsoft Office Outlook, Build 11.0.5510
Thread-Index: AcUTpOXnhrK3Tj1TRvC+JCpgdP5tA==
X-MimeOLE: Produced By Microsoft MimeOLE V6.00.2600.1165
Message-Id: <200502151629812.SMO0508@DCP0M341>

This is a multi-part message in MIME format.

-----_NextPart_000_0000_01C5137A.FD3983F0
Content-Type: text/plain;
charset="us-ascii"
Content-Transfer-Encoding: 7bit

Allison:

I have worked with a number of low income people that have bought, or attempted to by low income housing. I feel the income limits and the prices of the houses at the current market just do not work. We either have to find subsidized housing or possibly a condo situation that needless to say includes a condo fee along with a mortgage. I know there are not any easy answers but possibly the City could help these people in the same way they help the elderly by giving low income people a break on their taxes under a certain income? I will be away next week on vacation or I would attend this meeting. Good luck and I look forward to the next meeting.

Kevin Ahern
Homebuyer/Planner
Lowell Housing Authority

Allison,

*For some reason I can receive
E-mail from DPD but can't send
an E-mail. Here is my comment
that I tried to send!*

-----_NextPart_000_0000_01C5137A.FD3983F0
Content-Type: text/html;
charset="us-ascii"
Content-Transfer-Encoding: quoted-printable
<html xmlns:o=3D"urn:schemas-microsoft-com:office:office" =3D xmlns:w=3D"urn:schemas-
microsoft-com:office:word" =3D xmlns:3D"http://www.w3.org/TR/REC-html40">
<head>

CITY OF LOWELL RESPONSE:

The Massachusetts Department of Revenue and the State Legislature establish the regulations for the assessment of local property taxes. Provisions have been made to allow exemptions for the blind, surviving spouses, qualifying veterans, and the elderly. However there is no similar provision, which allows municipalities to create special exemptions for lower-income residents, as is suggested, without an act of the Legislature to specifically allow it. As this is a housing affordability issue and not a fair housing issue, no recommendation on this topic has been included in this report.



Adam Baacke
Lowell Dept. of Planning and Development
50 Arcand Dr.
Lowell, MA 01852

4/1/05

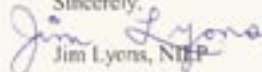
Re: Comments Concerning: Impediments to Fair Housing
City of Lowell

I appreciate this opportunity to express some concerns and questions I have concerning the LHA Designation Plan. On 3/17/05, Stephanie Harrington sent me an e-mail asking me to comment on the impacts of the LHA Designation Plan. I completed her questionnaire, which is attached. There are impediments to fair housing in Lowell for people with disabilities. My concerns regarding the plan are listed below:

We request that the LHA keep us involved, informed, and up to date on matters such as this which affect people with disabilities. NILP was not kept informed on any of these important matters by the LHA as they implemented this plan. For example, we were not informed as to whether any persons with disabilities on the waiting list were given the section 8 mainstream vouchers. Several housing authorities in our area work with NILP, i.e., housing authorities have collaborated with us consistently in the past regarding section 8 vouchers. Usually, for example, they will request that we send them a support letter for their section 8 mainstream and voucher applications- this did not happen with the LHA. If the mainstream Section 8's are not available, then I do not understand how the Designation Plan was implemented. This was a key element to the plan, if my memory serves.

In my opinion, although the FMR's have been increased, I feel they are still not adequate to meet the extremely high rents in Lowell, especially for barrier free apartments. The rent structure in Lowell is still not high enough for barrier-free apartments. Also, there are still not enough barrier free units in the private sector. More barrier-free rental housing is needed here, and in every community in northeastern Massachusetts. Thank you again for this opportunity for this comment to be included with your report. I greatly appreciate your contacting us for our opinion.

Sincerely,


Jim Lyons, NILP

Community Development Director

Full community participation
through education, training
and advocacy by and for
people with disabilities.

20 Ballard Road, Lawrence, Massachusetts 01843
978-687-4288 Voice/TTY Fax: 978-689-4488
Visit us on the web at: www.nilp.org

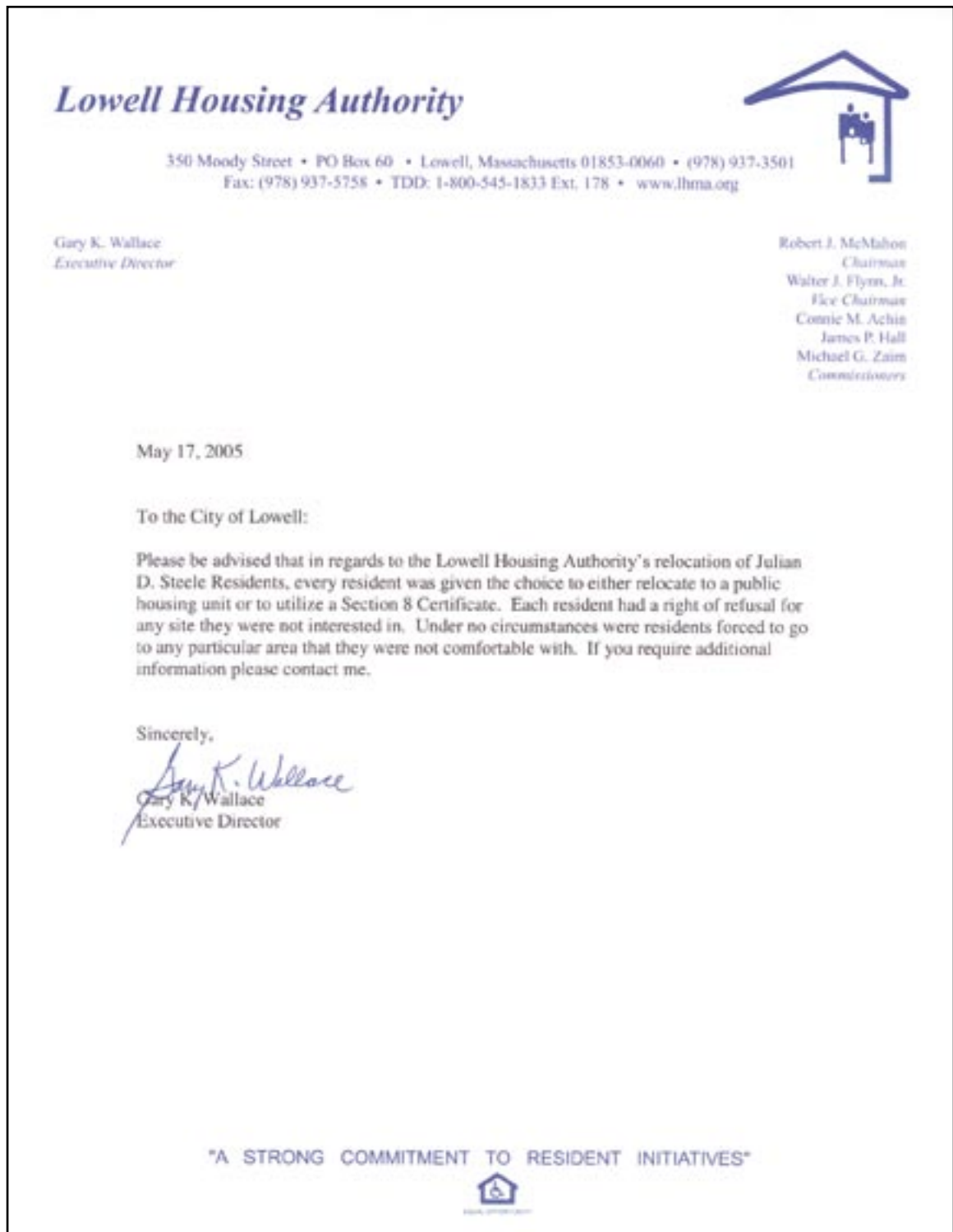


CITY OF LOWELL RESPONSE:

The City of Lowell appreciates the input from the Northeast Independent Living Program (NILP) as well as their valuable work on behalf of residents with disabilities. The City also strongly encourages open communication between the Lowell Housing Authority (LHA) and the NILP, as well as other interest groups who may represent LHA tenants when they implement policies, which impact those tenant groups. Unfortunately, the Fair Market Rents (FMRs) are set by HUD in Washington DC and are beyond the City of Lowell's control to influence. While the City also encourages the construction of barrier-free

apartments in the community, their absence is more a product of the age of Lowell's housing stock than any discriminatory practice as is being reported in this document. Since the vast majority of Lowell's housing was constructed prior to the introduction of the Americans with Disabilities Act which defines architectural barriers to be addressed and mandates accessible units in larger housing projects, much of that housing stock is not "barrier-free." As larger new housing developments are constructed, more accessible units will also be constructed. This Analysis of Impediments does include a recommendation that the City adopt policies regarding visitability in HOME and CDBG-assisted housing.

7.3 Lowell Housing Authority re: JDS Relocation



7.4 Fair Housing Center of Greater Boston – Report on Findings

Discrimination in the Lowell and Merrimack Valley Real Estate Market Confidential Report of Findings

Between June and September 2004, the Fair Housing Center conducted a study of housing discrimination against home seekers in the greater Lowell and Merrimack Valley area rental markets. The audit tested for discrimination against African American, Asian, Latinos, and families with children. The study relied on telephone and in-person testing of housing providers. In all, the Fair Housing Center conducted 66 matched pair tests at 40 locations, both real estate offices and property management offices. Overall, testing showed evidence of discrimination 31 of the 66 paired tests conducted, or 47%. The prevalence of discriminatory behavior varied widely between the groups covered.

What follows is a description of the process and a report of the findings, providing examples of the types of discriminatory behavior encountered by testers.

About Testing

Testing is a controlled method of measuring and documenting variations in the quality, quantity and content of information and services offered or given to various home seekers by housing providers. Testers are matched on personal and home seeking characteristics so that the only significant difference between them is the factor being tested. The test counts described throughout this report refer to a matched set of testers –commonly called a paired test. By comparing their experiences we are able to identify any differences in treatment and/or information given.

Testing has become a common and accepted practice in several arenas. Testing has also been used for self-compliance monitoring by the real estate industry and lending institutions. Many agencies and management companies use ‘shopping services,’ a form of testing that allows them to determine if their leasing staff are complying with fair housing laws. Additionally, testing is commonly used in response to a complaint filed by an individual home seeker. This complaint-based testing is used to determine whether or not there is evidence to support or deny an individual’s claim of discrimination. The legitimacy of testing evidence in housing discrimination cases has been long upheld by the courts. In fact, in 1982 the Supreme Court in *Havens Realty Corporation v. Coleman*, 102 S.Ct. 1114, held that testers who are discriminated against or receive false information from housing providers have standing to sue.

A rental audit is a systematic investigation of housing discrimination in the rental housing market for the purpose of gauging the prevalence and types of discrimination at play in the market at a given point in time. In order to address housing discrimination — both in terms of education and enforcement — we need an accurate picture of how it occurs, who it affects, and where it is happening. As has been proven elsewhere in the country, the rental audit is one of the most effective tools for taking a region’s discrimination temperature. The findings establish the foundation for future enforcement efforts and serve to heighten awareness among seekers and providers of housing of their rights and obligations under existing fair housing laws.

Methodology

For this project, the Fair Housing Center selected cities and towns in the Merrimack Valley and the Lowell Metropolitan Statistical Area that have a significant rental market of houses, apartment complexes and/or condominiums. We also looked specifically at practices in towns that neighbor cities with significant population of color. To reflect the variety of housing sources in the region, testers were sent both to apartment complexes and to real estate agencies to inquire about available units.

Findings

Of the 66 paired tests conducted, 31 revealed evidence of discrimination (47%).

Latino testers experienced the highest incidence of discrimination- 63%. Of 11 pairs of Latino and white testers, 7 showed evidence of possible discrimination.

29 tests paired white and African American testers, and evidence of discrimination was found in 15 (52%).

13 tests paired white and Asian testers, of which 5 showed evidence of discrimination (38%).

12 tests for discrimination based on familial status--the presence of children-- showed 4 instances of discrimination (33%).

Examples of discriminatory behavior

Compared to the overt practices of the past, discrimination today is often more subtle and revealed only through testing. Of the 66 paired tests in this project, there was not a single instance in which one of the testers was told outright that he or she was being turned away because of race, national origin, or because he or she had children. However, our analysis of testing evidence shows that more subtle forms of discrimination are still common practice in the greater Lowell real estate market.

As stated above, testers are matched on personal characteristics and housing requests so that the significant difference between them is the factor being tested, such as their race or the presence of children. In fact, test assignments are designed such that in a discrimination-free environment, the tester of color or tester with children would have the advantage over the control tester. For example, the person of color would have a more prestigious job than the white tester or the parent would have a higher income than the childless tester. Despite this, the Fair Housing Center found the following examples of differential treatment while conducting this audit:

ACCESS TO AGENTS

The first step toward gaining housing is contacting a housing provider. Even at the level of contact, people of color already experience discrimination that makes their housing search more difficult. There were multiple instances where both white testers and testers of color left messages for housing providers, but only the white tester received a call back. In one instance, an African American and white tester called the same office to inquire about housing. The white tester's first call was answered and the tester received information about available units. The African American tester left three messages and received no return call -- the tester was not able to speak to an agent at all.

INFORMATION ABOUT AVAILABLE APARTMENTS

People seeking housing are told by housing providers what units are available. Compared to white testers, people of color frequently received information about fewer available units, if any. This difference in treatment occurred in 28% of the tests, giving testers of color access to dozens fewer apartments than less qualified white testers. In one example, a Latino and a white tester called the same office. The white tester received information about three available units, the Latino tester was told about just one. In another test, the white tester was told about five units available in four adjacent towns. The African American tester was told about one unit only.

STEERING

There were four clear incidents in which testers were only shown apartments in neighborhoods predominately populated by people of their race or national origin. African American testers were shown units in predominately African American neighborhoods, Asians in Asian neighborhoods, and Latinos in Latino neighborhoods. Their white counterparts were not shown or told about these

apartments but instead were shown units in white neighborhoods. This occurred across town lines, as well, with one agent in a suburban town only showing a tester of color apartments in the adjacent city, but showing his white counterpart units in the town itself. Another agent told a tester that she knows she's "not supposed to steer, but wants people to live where they'll feel comfortable."

RENT AND SPECIALS

In one out of every nine calls, housing providers quoted higher rents and did not offer special discounts to people of color and families with children. In one test, the agent told the tester without children that there was a special going on for \$500 off the first month's rent. The tester with children was not told about this special. In another, an Asian tester was told that rents at a particular building started at \$750, while a white tester was told that the lowest rent at that building was \$700. If these had been actual home seekers, the Asian tester would have paid \$600 more a year for the same housing.

APPLICATION PROCESS

20% of the time, housing providers subjected testers of color to a more strenuous application process and imposed different terms and conditions than they did for white testers. Agents were much more likely to ask testers who were African American, Asian, or Latino about their income and occupation than white testers. For example, a Latino tester was told she would need approved credit check and current landlord validation to get the special for one month free rent, and the minimum income for two people was \$35,000; the white tester was not told any of this. At another housing provider, an African American tester was asked where she worked, why she was moving, how long she had been at her at job, and told that credit and background checks were needed. The white tester at the same office was not asked or told any of those details.

FOLLOW-UP CONTACT

Home seekers rarely complete their search in one phone call to a housing provider. Housing providers often call back to follow up, or provide their out of office contact information, in order to encourage home seekers to view apartments through them. In one instance, after the initial call the white tester received a call back from the agent to see an available unit and was given the agent's home telephone number without asking for it. The African American tester who called the same office was told no units were available and the agent would call if anything became available, but she never received a call. She was also not given personal contact information for the agent. In another example, the tester with children never received information about available units -- the agent was to call back with the information but did not. The tester without children received two calls back from the agent and was told about several available units.

Each of these examples illustrates the injury caused to actual people by housing discrimination. Not all cases involved treatment that would necessarily rise to the level of sustaining a formal complaint. But even "minor" abuses or "trivial misdeeds" can have serious consequences in a housing market such as ours. Discrimination in housing not only takes away our freedom to choose where we live, it also limits the variety of people with whom we can interact and the opportunities available to us in our own neighborhoods. Where we live often determines the quality of our children's education and our access to jobs. Overall, the differences in treatment served to advantage white testers over testers of color, and single testers over testers with children. The Fair Housing Center's discrimination testing audits have documented that racial discrimination is the norm rather than the exception for people of color attempting to rent or purchase homes in our region.

Recommendations

The findings lead the Fair Housing Center to make a number of specific recommendations.

- § There is an obvious and glaring need for comprehensive training to ensure that housing providers are aware of their responsibilities under the fair housing laws. Housing providers must make sure that they and members of their staffs know and understand that they cannot treat people differently because they have an accent.
- § Realtor associations in the region and the Fair Housing Center should negotiate partnership initiatives that employ fair housing experts to conduct education, training, and outreach programs, and expand voluntary compliance to include the use of testing.
- § There is an equally obvious need for a comprehensive program of ongoing training on fair housing rights and responsibilities designed specifically for landlords, including both large and small property owners.
- § While all of the Fair Housing Center of Greater Boston's callers were fully conversant in English, housing providers should provide written materials in a variety of languages and avail themselves of services like the Language Line. Housing providers should consider pooling resources for this purpose or look to their board of realtors for support.
- § The myriad discriminatory practices revealed by the audit underscore the need for extensive outreach and education for Latino and Asian home seekers about their rights under the fair housing laws and the resources available to secure those rights.
- § The various existing enforcement agencies - Federal, state and local -- must continue vigorous efforts to enforce the laws. They must complete investigations of valid fair housing complaints in a timely and efficient manner. These enforcement agencies must be allocated sufficient funds to carry out this work.
- § All jurisdictions that have conducted Analyses of Impediments to Fair Housing - regional as well as local - should thoroughly review those documents, evaluate performance to date, and implement those recommendations not yet addressed. This includes coordination with non-profit organizations and housing authorities. Jurisdictions should specifically address barriers to fair housing choice encountered by Latinos and other home seekers of color.
- § Public and private organizations in each of the region's cities and towns must organize efforts to address the community tensions implicit in the widespread discrimination documented by this audit. These efforts should include a range of activities designed to ensure that communities are welcoming, open and accessible.
- § The frequency and subtlety of the discriminatory practices revealed during the Fair Housing Center of Greater Boston's testing audits underscore the need for ongoing systemic and complaint-based discrimination testing.

About the Fair Housing Center of Greater Boston

The Fair Housing Center of Greater Boston was founded in 1998 by local housing and civil rights professionals and works to eliminate housing discrimination and promote open communities throughout the region. The Fair Housing Center pursues its mission in Suffolk, Norfolk, Middlesex, Essex and Plymouth counties through education and outreach, public policy analysis, research, and enforcement and seeks to promote fair housing for all protected classes under federal, state, and local laws. Our current programs target discrimination based on race and national origin, family status (the presence of minor children), and source of income (particularly use of Section 8 housing subsidies),

We focus on these groups because of the prevalence of discrimination against them, as well as the lack of focused resources for their defense. Beginning in 2004, the Fair Housing Center is devoting special attention to the City of Lowell and the surrounding communities in the Merrimack Valley. Lowell is the Commonwealth's fourth largest city and second only to Boston in the Fair Housing Center's service area. For more information about the Fair Housing Center and our programs, contact the Fair Housing Center of Greater Boston at 617-399-0491 TTY users, please call the MA Relay Service at 1-800-439-2370. or log on to www.bostonfairhousing.org.

7.5 Fair Housing Center of Greater Boston - Findings for the City of Lowell

Background: Between June and September 2004, the Fair Housing Center conducted a study of housing discrimination against home seekers in the greater Lowell and Merrimack Valley area rental markets. The audit tested for discrimination against African American, Asian, Latinos, and families with children. The study relied on telephone and in-person testing of housing providers. In all, the Fair Housing Center conducted 66 matched pair tests at 40 locations, both real estate offices and property management offices. Overall, testing showed evidence of discrimination 31 of the 66 paired tests conducted, or 47%.

Results specific to Lowell: This summary shows the results of tests conducted at real estate offices and management companies with properties in the City of Lowell. Some of these tests took place at locations within Lowell proper. Others took place at management offices in neighboring towns that market properties in multiple communities, including Lowell.

The Fair Housing Center conducted a total of 26-paired tests. 15 of these tests showed evidence of discrimination. (58%)

- Latino testers experienced the highest incidence of discrimination- 80%. Of 5 pairs of Latino and white testers, 4 showed evidence of discrimination.
- 10 tests paired white and African American testers, and evidence of discrimination was found in 6 (60%).
- 6 tests paired white and Asian testers, of which 4 showed evidence of discrimination (67%).
- 4 tests for discrimination based on familial status--the presence of children-- showed 1 evidence of discrimination (25%).

As with the overall test results documented throughout the region, differences in treatment documented in Lowell include:

- Lack of access to real estate agents
- Incomplete information about available apartments
- Higher rents
- A more strenuous application process
- No follow up from agents or property managers
- Steering

The findings show that the type of discrimination experienced by each of the racial and ethnic groups was steering. Testers were only shown apartments in neighborhoods predominately populated by people of their race or national origin. African American testers were shown units in predominately African American neighborhoods, Asians in Asian neighborhoods, and Latinos in Latino neighborhoods. Their white counterparts were not shown or told about these apartments but instead were shown units in white neighborhoods. This occurred across town lines, as well, with one agent in a suburban town only showing a tester of color apartments in the city, but showing his white counterpart units in the town itself.

ABOUT TESTING:

The legitimacy of testing evidence in housing discrimination cases has been long upheld by the courts.

In fact, in 1982 the Supreme Court in *Havens Realty Corporation v. Coleman*, 102 S.Ct. 1114, held that testers who are discriminated against or receive false information from housing providers have standing to sue.

A rental audit is a systematic investigation of housing discrimination in the rental housing market for the purpose of gauging the prevalence and types of discrimination at play in the market at a given point in time. In order to address housing discrimination — both in terms of education and enforcement — we need an accurate picture of how it occurs, who it affects, and where it is happening. As has been proven elsewhere in the country, the rental audit is one of the most effective tools for taking a region's discrimination temperature. The findings establish the foundation for future enforcement efforts and serve to heighten awareness among seekers and providers of housing of their rights and obligations under existing fair housing laws.

PARTNERSHIPS WITHIN LOWELL:

“The Fair Housing Center is pleased to hear that the City of Lowell is working to update its Analyses of Impediments to Fair Housing,” said David J. Harris, Executive Director of the Fair Housing Center. “We offer this qualitative testing data - regional as well as local - to assist the City in its efforts to evaluate and address current barriers to housing choice.” Harris continued, “We welcome the partnership with the City, its nonprofit partner Community Teamwork Inc., and the Northeast Association of Realtors to eliminate housing discrimination and promote open communities throughout the region.” The Fair Housing Center pursues its mission in Suffolk, Norfolk, Middlesex, Essex and Plymouth counties through education and outreach, public policy analysis, research, and enforcement. This audit of discrimination in the Lowell and Merrimack Valley area is the third rental housing discrimination study released by the Fair Housing Center. This study was funded by a grant from the US Department of Housing and Urban Development, supported by the City of Lowell.

THE FAIR HOUSING CENTER OF GREATER BOSTON PROVIDES FREE ASSISTANCE FOR PEOPLE WHO HAVE EXPERIENCED DISCRIMINATION.

Under federal and state anti-discrimination laws it is illegal to discriminate in housing sales or rentals or in housing lending and insurance on the basis of: race, color, national origin, sex, religion, age, sexual orientation, military history, disability, familial status, or source of income. If you suspect you have experienced discrimination, please contact the Fair Housing Center of Greater Boston at 617-399-0491. TTY users, please call the MA Relay Service at 1-800-439-2370.